FIELD ACTIVITY COVERSHEET

1. REGION/STATE FOCR	2. OPERATION (Check One) (X) Inspection ( ) Establishment Visit ( ) Telephone Contact ( ) Investigation ( ) Other	3. DATE 8/26/88 4. NUMBER (For HQ Use)

5. ESTABLISHMENT
Name Lennox Industries, INc.
Address 1711 Olentangy River Rd.
City Columbus State Ohio Zip 43211 Telephone No. 614- 421-6106

6. RELATED FIRM ( ) Parent ( ) Headquarters ( ) Subsidiary ( ) Other
Name Lennox Corp. City Dallas State Tx.

7. PRODUCTS COVERED Pulse Furnace	8. OTHER CONSUMER PRODUCTS Furnaces
9. ESTABLISHMENT TYPE (X) Manufacturer ( ) Importer ( ) Wholesaler ( ) Own Label Distributor ( ) Retailer ( ) Repackager ( ) Other	10. ANNUAL PRODUCTION Not Obtained Products Covered $ Units Other Products $ Units

11. I.S. BUSINESS % Received Not Obtained % Shipped	12. SAMPLES COLLECTED None	13. MIS CODE 32626	14. HOURS Activity 6 Travel 8

15. REASON FOR ACTIVITY (Assignment Reference)
STI 88-113

16. ANNOUNCED ( ) Rationale for Announced Inspection
UNANNOUNCED (XXXX

17. EMPLOYEE'S NAME DuWayne Kapelis	TITLE Investigator 8133	SIGNATURE DuWayne Kapelis

18. (XX) ENDORSEMENT ( ) REMARKS ( ) SUMMARY ( ) OTHER

This inspection was done in response to STI 88-113. The site inspected is a Lenox regional Center. The purpose was to review the firm's completed recall verification cards to confirm retrofit totals for ID 85-19 their Model G-14 Pulse Furnace.

The inspection revealed that the firm had a vault room boxes of verification cards. 40 of these boxes were examined. Lenox refused to allow copying of individual customers names. The did allow copying of the names of the dealers involved and 15 dealer names and addresses were obtained. The investigator's best estimate is that they currently have 30,000 verification cards on file.

F/U: Refer to CACA.

19. REVIEWER'S NAME John R. Vece	TITLE S.P.S.I.	SIGNATURE John R. Vece

20. REVIEW DATE 9-12-88	21. DISTRIBUTION O: FOCR; cc: CACA, L. Hershman; cc: CIN-RP.

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LENNOX INDUSTRIES, I
1711 Olentangy River Rd.
Columbus, Ohio 43211

8/26/88

SUMMARY OF FINDINGS

This inspection was done to determine the actions of this firm's regional office concerning the retrofit operation on the Pulse Furnace Model G-14. This inspection was done under STT 88-113.

Credentials were shown and a Notice of Inspection Given to Mr. Dick Meyers/ Product Manager. Mr. Meyers accompanied me on my inspection and supplied all of my information.

This facility is the regional center for manufacturing, sales, repairs and training for the Northeastern quarter of the U.S. This area includes Illinois, to the east coast and as far south as Kentucky and Tennessee.

Mr. Meyers stated that he was responsable for maintaining the recall and being sure the dealers reported repairs so Lenox could provide reimbursment for the labor charges. Mr. Meyers stated that he reports to Mr. Howard Pitts/ Corporate Service Director located in the Dallas, Texas Corporate Office. The General Manager of the Columbus facility is Mr. Robert Coster who is responsable for the Columbus operation and reports to Mr. Don Munson/ Executive Vice President at the Corporate Offices.

Mr. Meyers explained that the firm noticed a problem with their Pulse furnace when rime ice built up in the exhaust vent. This was reported to CPSC. They determined that very special environmental conditions had to be present for this to take place. They determined that they would retrofit existing furnaces to eliminate this problem. This problem exists only when there is very high barometric pressure, very cold temperatures and high humidity.

This fix consisted of mailing dealers kits which contained:
(1) Pressure switch . This shuts down the unit if the exhaust vent is plugged.
(2) Vent pipe on drip leg of condensate tube to eliminate siphonage or pressure build up.
(3) Drip leg restrictor to prevent gas escaping.
(4_)Exhaust vent insulation.

All newer furnaces have these modifications included before shipment.

This repair kit at first contained a verification sheet of 3 copies which was filled out by the dealer to obtain his labor fees for the fix. This sheet is attached as Ex. A. Later in the repair operation this sheet was changed to a post card. No blank copy is available of this card.

I asked Mr. Meyers how effective the recall had been at his facility. He explained that all such written reports were now only with the Corporate office. He stated that his facility attempted to fix approximately 30,000 units. They were between 97 and 98% effective when figures were developed 2 or 3 years ago.

I asked to see the records. Mr. Meyers showed me a vault room with many boxes. Each box I examined (40 in all) contained the dealer completed repair cards filed mainly by dealer and territory. I made the best count possible and feel that there are close to 30,000 cards present. This is difficult to estimate due to the difference in the two types of documents used by the dealers to report the repairs.

I examined individual documents and Mr. Meyers refused to allow me to copy the names of customers. He did allow the copying of the Dealers names and the approximate numbers of furnaces they corrected. He also explained that dealers are listed in all phone books under the Lennox name.

The Dealers names I obtained are as follows: Note: Repair numbers are not exact.

Alan Heating Co.
510 Spring Rd.
Elmhurst, Ill.
100 units repaired

Best Heating and Air Cond.
1040 Busse Hwy.
Park Ridge, Ill
2 units.

American Heating
1037 E. St. Charles Rd.
Lombard, Ill
9 Units.

King-Lar Co.
2020 E. Ohio
Decatur, Ill
24 Units.

Le Blanc Heating
43 So. River Rd.
Bedford, N.H.
11 Units.

Academy Heating andA.C.
11720 Nebel ST.
Rockville, Md.
20 Units.

Morgan Heating
7613 Lakota Hills Dr.
Westchester, Ohio
30 Units.

Lexington Unique c.
311 Virginia Ave.
Lexington, Ky.
12 Units.

Coleman Smith Co.
1217 Industry Rd.
Lexington, Ky.
60 Units.

Airtronic Heating and A.C.
26666 Grand River
Redford, Mich. 48240
30 Units.

Shores Heating.
28709 Harper Ave.
St. Claires Shores, Mi.
21 Units.

Kast Heating
580 So. Telegraph
Pontiac, Mi.
75 Units.

Max Gate's Heating
61200 8 Mile Rd.
S. Lyon, Mich.
5 Units.

Gantrell Heating.
12525 E. 9 Mile
Warren, Mich.
7 Units.

McQuern and Rolf Htg.
848 E Columbia
Battle Creek, Mich.
45 Units.

70-300

DuWayne Kapelis
Investigator 8133

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FIELD ACTIVITY COVERSHEET

1. REGION/STATE FOCR	2. OPERATION (Check One) (X) Inspection ( ) Establishment Visit ( ) Telephone Contact ( ) Investigation ( ) Other	3. DATE 9-20-88 4. NUMBER (For RO Use)

5. ESTABLISHMENT
Name Lennox Industries, Inc. Midwest Division
Address 200 S. 12 th Ave.
City Marshalltown State IA Zip 50158 Telephone No. (515) 754-4011

6. RELATED FIRM ( ) Parent (X) Headquarters ( ) Subsidiary ( ) Other
Name Lennox Industries, Inc. City Dallas State TX

7. PRODUCTS COVERED Model G14 Pulse Furnaces	8. OTHER CONSUMER PRODUCTS

9. ESTABLISHMENT TYPE (X) Manufacturer ( ) Importer ( ) Wholesaler ( ) Own Label Distributor ( ) Retailer ( ) Repackager ( ) Other	10. ANNUAL PRODUCTION Products Covered $ Units 34,207 Other Products $ Units

11. L.S. BUSINESS % Received Y % Shipped Y	12. SAMPLES COLLECTED None	13. MIS CODE 32626	14. HOURS Activity 8 Travel 7

15. REASON FOR ACTIVITY (Assignment Reference)
STI 88-113, FOCR Work Plans

16. ANNOUNCED (X) Rationale for Announced Inspection To have knowledgeable person present
UNANNOUNCED ( )

17. EMPLOYEE'S NAME Robert B. Johnston	TITLE Investigator	SIGNATURE Robert B Johnston

18. (x) ENDORSEMENT ( ) REMARKS ( ) SUMMARY ( ) OTHER

This inspection was conducted in response to STI 88-133 to obtain information on the status of the firm's CAP for ID 85-19 involving the G14 pulse furnace.

The inspection revealed that 34,207 furnaces in the Midwest Division were involved in the CAP. A review of the firm's records revealed that approximately 34,200 retrofit kits have been sent out by this division to their dealers. Names and addresses of 9 current and 4 former dealers were obtained.

F/U: Refer to CACA

19. REVIEWER'S NAME John R. Vece	TITLE S.P.S.I.	SIGNATURE

20. REVIEW DATE 10-11-88	21. DISTRIBUTION O: FOCR; cc: CACA, L. Hershman; cc: FOWR.

CPSC FORM NO. 167 (Revised 8/86)

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EIR 9-20-88 RRJ

Lennox Industries, Inc.
Midwest Division
200 S. 12th Ave
Marshalltown, IA 50158

SUMMARY

This inspection was made under STI 88-113, as part of ID 85-19 involving Lennox model G14 pulse furnaces. The purpose was to examine completed recall verification sheets at one of Lennox Industries regional centers. A retrofit program on the furnaces was instituted because the exhaust vents would freeze shut allowing exhaust gases to enter residences.

Credentials were shown to and a written Notice of Inspection was given to Mr. Thomas Ethington, Product Service Manager. Mr. John F. Velday, Esq., an attorney with Cartwright, Druker & Ryden, 112 W. Church St., Marshalltown, IA (515) 752-5467, was also present. Mr. Velday, said that he was on retainer for Lennox Industries. Mr. Ethington said that Mr. T.R. Thompson, Vice President and General Manager, was in charge of the Lennox Industries Midwest Division. Headquarters for Lennox Industries are in Dallas, TX. Mr. Ethington was contacted as I was informed that he was the person who had knowledge of the recall and the records involved.

Mr. Ethington said that a total of 34,267 Midwest Division furnaces were involved in the recall. The Midwest Division runs from the western edge of Illinois west to and including Colorado. Mr. Ethington said that currently there were 1,474 Lennox Dealers in the Midwest Division. He said that this number was not the same as when the recall started as some dealers had dropped Lennox affiliation while other dealers had been added. He said that the trend was for larger dealerships with smaller ones dropping out.

The recall verification slips were in nine file cabinet drawers at the firm. The slips were in file folders in the drawers. The folders were marked with the dealer name and address and were organized by sales territories within the Midwest Division. The folders contained slips only, no post cards were present as they had not been used by the Midwest Division. A number in red ink was on the outside of file folders that denoted the number of retrofit kits sent to that particular dealer.

Mr. Ethington said that as of 1986, 96%-97% of the furnaces had been retrofit. He said that 33,153 retrofit kits had been sent to dealers. He said that this figure did not include the period from April, 1986 to December, 1986 when 1,070 kits were shipped. This gives a total of 34,223 kits sent (over 100% correction) to

dealers using these figures. Mr. Ethington said that these figures were estimates he obtained by taking the total cost of retrofit kits sent to date and dividing that figure by the average cost of a kit, approximately $29.00. He said that recall verification slips were still occasionally received.

An estimate was made of the recall verification slips in the file drawers by counting the number of kits indicated as being shipped to a dealer from the number in red on the file folder. Four of the drawers were counted, one being 2/3 full and an average of approximately 3,800 slips per file drawer obtained. This gives an approximate figure of 34,200 slips. This figure is in line with that provided by Mr. Ethington.

Names of some of the dealers were obtained and are listed as follows:

Snelling Co./Snelling Mechanical
1400 Concordia Ave
St. Paul, MN 55103
204 kits sent

George Sedgwick Heating & Air Conditioning Co.
1001 Xenia Ave South
Minneapolis, MN 55416
149 kits sent

Kleve Heating & Air Conditioning, Inc.
13075 Pioneer Trail
Eden Prairie, MN 55344
214 kits sent

Milwaukee Furnace Co.
2130 W. National Ave
Milwaukee, WI 53204
148 kits sent

Hales Corners Heating & Air Conditioning
11211 W. Forest Home Ave
Franklin, WI 53132
71 kits sent

Midwest Precision Heating & Cooling, Inc.
13228 Holmes Rd.
Kansas City, MO 64145
80 kits sent

Lennox Industries, Inc.
Midwest Division
Marshalltown, IA 50158

Quality Metal Products, Inc.
11500 W. 13th Ave
Lakewood, CO 80215
130 kits sent

Keil Heating & Cooling
301 N. Illinois St.
Belleville, IL 62220
61 kits sent

Ryan Heating Co., Inc.
5822 Gravois
St. Louis, MO 63116
190 kits sent

Several other dealer names obtained were stated as no longer carrying Lennox lines by Mr. Ethington. These firms that no longer are Lennox dealers but who had been sent retrofit kits included:

Fox Furnace Co.
5144 Brighton
Kansas City, MO 64130
63 kits sent

Fields Comfort Systems
213 S. Main
Lees Summit, MO

Crory Bros. Heating & Air Conditioning
845 S. Jason St.
Denver, CO 80223
21 kits sent

VP Environmental Systems
11734 W. 91st St.
Overland Park, KS 66214

Robert B. Johnston
Investigator

U.S. CONSUMER PRODUCT SAFETY COMMISSION

NOTICE OF INSPECTION

1. DATE 9-20-88	3. FROM (Area Office and Address) 230 S. DEARBORN ST ROOM 2944 CHICAGO, IL 60604
2. TIME 10:02 A.M. _____ P.M.	

4. TO

A. NAME AND TITLE OF INDIVIDUAL
THOMAS ETHINGTON, CUSTOMER SERVICE MGR.

B. FIRM NAME
LENNOX INDUSTRIES, INC

C. NUMBER AND STREET ADDRESS
200 S. 12TH AVE.

D. CITY, STATE AND ZIP CODE
MARSHALLTOWN, IA 50158

Notice of Inspection is hereby given pursuant to:

- Flammable Fabrics Act (15 U.S.C. 1191 *et seq.*);
- Federal Trade Commission Act (15 U.S.C. 41 *et seq.*);
- Sections 16, 19 and 27 of the Consumer Product Safety Act (15 U.S.C. 2065, 2068 and 2076);
- Section 704(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 374(a)) [Authority for inspections in connection with the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471 *et seq.*)] and/or
- Section 11(b) of the Federal Hazardous Substances Act as Amended (15 U.S.C. 1270(b)).

Refer to the back of this form for a discussion of inspectional authority and for pertinent statutory language.

5. PURPOSES OF INSPECTION AND NATURE OF INFORMATION TO BE OBTAINED AND/OR COPIED.

The purpose of this inspection is to obtain information; to review and obtain copies of items including but not limited to records, reports, books, documents; and labeling; and to obtain samples, in order to enforce or determine compliance with the Acts administered by the Consumer Product Safety Commission.

6. FREEDOM OF INFORMATION REQUIREMENTS

Those from whom information is requested should state whether any of the information submitted is believed to contain or relate to a trade secret or other matter which should be considered by the Commission to be confidential and whether any of the information is believed to be entitled to exemption from disclosure by the Commission under the provisions of the Freedom of Information Act (15 U.S.C. 552). Any statement asserting this claim of confidentiality must be in writing, and any request for exemption of the information from disclosure must be made in accordance with the Commission's Freedom of Information Act regulations: 16 CFR Part 1015.

7. SIGNATURE (Authorized CPSC Official)
Robert D. Sotnik

CPSC Form 296 (9/79)

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