

MAY 16 2003

L. Taylor Ward, III, Esq.
Vice President & General Counsel
Southeast Toyota Distributors, LLC
100 N.W. 12th Avenue
Deerfield Beach, FL 33442

Dear Mr. Ward:

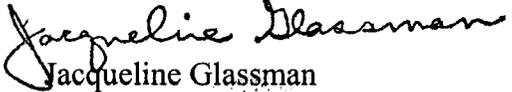
This is in reply to your letter of February 7, 2003, relating to motor vehicle distributors who add accessory equipment to new vehicles before they are sold. You are concerned specifically about accessory equipment produced by someone other than the manufacturer of the vehicle. This equipment includes "audio systems, tires, wheels, cruise control, trailer hitches, luggage racks, running boards, spoilers, truck bed liners, and convenience equipment." You are unclear "where [distributors] fit under the [TREAD] Act's definitions, and what reports are required of them for the non-Toyota, domestic accessories they install." You believe that distributors of Toyota cars and trucks "should logically only be responsible for reporting information on non-Toyota parts and accessories they install."

The early warning reporting (EWR) obligations of the TREAD Act (Subpart C of 49 CFR Part 579) apply to manufacturers of motor vehicles and motor vehicle equipment. They do not apply to distributors and dealers who only add accessory equipment to a vehicle before its first sale, in the nature of the equipment you listed: "audio systems, tires, wheels, cruise control, trailer hitches, luggage racks, running boards, spoilers, truck bed liners, and convenience equipment." The fact that the accessory equipment may not be factory authorized is irrelevant to this conclusion.

The manufacturer is responsible under EWR for reporting certain information it receives from distributors and dealers in the ordinary course of business, such as the number of field reports and warranty claims. But there is no independent obligation under EWR for distributors and dealers to report this, or any other information, to NHTSA under the EWR regulations.

If you have any questions, you may call Taylor Vinson of this Office (202-366-5263).

Sincerely,


Jacqueline Glassman
Chief Counsel