

TOYOTA
TOYOTA MOTOR NORTH AMERICA, INC.

WASHINGTON OFFICE
1850 M STREET, NW, SUITE 800, WASHINGTON, DC 20036

TEL: (202) 775-1700
FAX: (202) 463-8513

June 13, 2005

Ms. Kathleen C. DeMeter
Director
Office of Defects Investigation
National Highway Traffic Safety Administration
400 Seventh St., SW
Washington, DC 20590

Re: NVS-213cat; EA04-024

Dear Ms. DeMeter:

This letter is being sent in response to your February 23, 2005 letter regarding EA04-024. Per our agreement, Toyota is submitting its response to Questions 1, 2, 3, 5, 6, and 23 of your inquiry only. As you know, Toyota is conducting 50I, a campaign replacing the lower ball joint of the subject vehicles.

Should you have any questions about this response, please contact Mr. Chris Santucci or Mr. Tsuyoshi Yokoi at (202) 775-1707.

Sincerely,



Chris Tinto
Vice President
TOYOTA MOTOR NORTH AMERICA, INC.

CT:cs
Attachment

OFFICE OF DEFECTS INVESTIGATION
NHTSA
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Subject Vehicles

MY 2001-2004 Tundra vehicles

Peer vehicles:

MY 2001-2004 Sequoia, Tacoma, and 4Runner vehicles.

1. State, by model, model year, and drive type (two-wheel drive or four-wheel drive), the number of subject and peer vehicles Toyota has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by Toyota, state the following:
 - a. Vehicle identification number (VIN);
 - b. Make;
 - c. Model;
 - d. Model Year;
 - e. Drive Type
 - f. Date of manufacture;
 - g. Date warranty coverage commenced; and
 - h. The State in the United States where the vehicle was originally sold or leased (or delivered for sale or lease).

Provide the table in Microsoft Access 2000, or a compatible format, entitled "PRODUCTION DATA." See Enclosure 1, Data Collection Disc, for a pre-formatted table which provides further details regarding this submission.

Response 1

The number of the subject and peer vehicles Toyota has manufactured for sale or lease in the United States by model and model year is provided electronically on CD-ROM, in Microsoft Word 2000 format entitled "Attachment 1.doc".

In addition, detailed information for each vehicle is provided electronically on CD-ROM, in Microsoft Access 2000 format entitled "Attachment 2.mdb".

2. State, by model, model year, and drive type, the number of each of the following, received by Toyota, or of which Toyota is otherwise aware, which relate to, or may relate to, the alleged defect in the subject and peer vehicles:
 - a. Consumer complaints, including those from fleet operators;
 - b. Field reports, including dealer field reports;
 - c. Reports involving a crash, injury, or fatality, based on claims against the manufacturer involving a death or injury, notices received by the manufacturer alleging or proving that a death or injury was caused by a possible defect in a subject and peer vehicle, property damage claims, consumer complaints, or field reports;
 - d. Property damage claims; and
 - e. Third-party arbitration proceedings where Toyota is or was a party to the arbitration; and
 - f. Lawsuits, both pending and closed, in which Toyota is or was a defendant or codefendant.

For subparts "a" through "d," state the total number of each item (e.g., consumer complaints, field reports, etc.) separately. Multiple incidents involving the same vehicle are to be counted separately. Multiple reports of the same incident are also to be counted separately (i.e., a consumer complaint and a field report involving the same incident in which a crash occurred are to be counted as a crash report, a field report and a consumer complaint).

In addition, for items "c" through "f," provide a summary description of the alleged problem and causal and contributing factors and Toyota's assessment of the problem, with a summary of the significant underlying facts and evidence. For items "e" and "f," identify the parties to the action, as well as the caption, court, docket number, and date on which the complaint or other document initiating the action was filed.

In a separate enclosure, provide a tabulation of the total complaint counts by source (complaints, field reports), model, model year, drive type, and complaint category for all other complaints and field reports related to the subject components. Use the following complaint categories for this tabulation: (1) wear; (2) noise; (3) loose steering; (4) uneven tire wear; (5) cost of repair; (6) other; and (7) unknown.

Response 2

- a. There are 76 consumer complaints that may relate to the alleged defect on the subject and peer vehicles. Since some customers contacted Toyota more than once when complaining about the same incident, the total number of unique incidents in the consumer complaints is 61. This includes 5 incidents which are duplicated with NHTSA's VOQs attached to the inquiry letter.
- b. There are 9 field reports that may relate to the alleged defect. 2 of these 9 field reports are duplicated with consumer complaints. 1 of these 9 field reports is duplicated with NHTSA's VOQ attached to the inquiry letter.
- c. In the consumer complaints and property damage claims, 4 unique incidents have been reported where a vehicle crash was alleged. 1 of these crash incidents alleged an injury was occurred. There are no reports alleging fatality.
- d. Toyota has received 9 property damage claims that may relate to the alleged defect. All of these property damage claims are duplicated with the consumer complaints. This includes 1 incident which are duplicated with NHTSA's VOQ attached to the inquiry letter.
- e. There are no third party arbitration proceedings.
- f. There are 1 lawsuit in which Toyota is or was a defendant or codefendant. This incident was involving a crash and alleged an injury was occurred.

The table of the total complaint counts by source (complaints, field reports), model, model year, drive type and complaint category is provided electronically on CD-ROM, in Microsoft Excel 2000 format entitled "Attachment 3.xls".

3. Separately, for each item (complaint, report, claim, notice, or matter) within the scope of your response to Request No. 2, state the following information:
 - a. Toyota's file number or other identifier used;
 - b. The category of the item, as identified in Request No. 2 (i.e., consumer complaint, field report, etc.);
 - c. Vehicle owner or fleet name (and fleet contact person), address, and telephone number;
 - d. Vehicle's VIN;
 - e. Vehicle's make, model and model year;
 - f. Vehicle's mileage at time of incident;
 - g. Incident date;
 - h. Report or claim date;
 - i. Whether the prior impact damage is alleged;
 - j. Whether a crash is alleged;
 - k. Whether property damage is alleged;
 - l. Number of alleged injuries, if any;
 - m. Number of alleged fatalities, if any; and
 - n. Complaint summary.

Provide this information in Microsoft Access 2000, or a compatible format, entitled "REQUEST NUMBER TWO DATA." See Enclosure 1, Data Collection Disc, for a preformatted table which provides further details regarding this submission.

Response 3

The information for each item (complaint, report, claim, notice, or matter) is provided electronically on CD-ROM, in Microsoft Access 2000 format entitled "Attachment 4.mdb".

5. State, by model, model year, and drive type, a total count for all of the following categories of claims, collectively, that have been paid by Toyota to date that relate to, or may relate to, the subject component in the subject and peer vehicles: warranty claims; extended warranty claims; claims for good will services that were provided; field, zone, or similar adjustments and reimbursements; and warranty claims or repairs made in accordance with a procedure specified in a technical service bulletin or customer satisfaction campaign.

Separately, for each such claim, state the following information:

- a. Toyota's claim number;
- b. Whether the warranty claim is related to the alleged defect in the subject or peer vehicles;
- c. Vehicle owner or fleet name (and fleet contact person) and telephone number;
- d. VIN;
- e. Repair date;
- f. Vehicle mileage at time of repair;
- g. Repairing dealer's or facility's name, telephone number, city and state or ZIP code;
- h. Labor operation number;
- i. Problem code;

- j. Replacement part number(s) and description(s);
- k. Whether the vehicle was towed to the dealer for the repair (y/n);
- l. Whether secondary component damage occurred or subsequent repairs were performed as a result of a front lower ball joint separation. Identify and tabulate the number of repairs that were performed on a secondary component located at the same front wheel position as the subject component on or about the same date as the subject component repair;
- m. Concern stated by customer; and
- n. Comment, if any, by dealer/technician relating to claim and/or repair.

Provide this information in Microsoft Access 2000, or a compatible format, entitled "WARRANTY DATA." See Enclosure 1, Data Collection Disc, for a pre-formatted table which provides further details regarding this submission.

Response 5

The total counts of warranty claims, extended warranty claims, and claims for good will services paid by Toyota for the subject and peer vehicles that may relate to the alleged defect are provided electronically on CD-ROM, in Microsoft Word 2000 format entitled "Attachment 5.doc".

The detailed information for each claim is provided electronically on CD-ROM, in Microsoft Access 2000 format entitled "Attachment 6.mdb".

- 6. Describe in detail the search criteria used by Toyota to identify the claims identified in response to Request No. 5, including the labor operations, problem codes, part numbers and any other pertinent parameters used. Provide a list of all labor operations, labor operation descriptions, problem codes, and problem code descriptions applicable to the subject component in the subject and peer vehicles and all labor operation codes Toyota used to identify vehicles that have been towed and/or vehicles with secondary component damage. State, by make and model year, the terms of the new vehicle warranty coverage offered by Toyota on the subject and peer vehicles (i.e., the number of months and mileage for which coverage is provided and the vehicle systems that are covered). Describe any extended warranty coverage option(s) that Toyota offered for the subject and peer vehicles and state by option, model, and model year, the number of vehicles that are covered under each such extended warranty.

Response 6

Toyota searched the warranty database for claims on the subject and peer vehicles by using the part numbers, labor operations and problem codes specified in Attachment 7 stored on CD-ROM in Microsoft Word 2000 format. Toyota then reviewed the claim comments to determine if the claims may be related to the alleged defect. A list of all labor operations, labor operation descriptions, problem codes and problem code descriptions applicable to the subject and peer vehicles are also provided in Attachment 7.

The terms that Toyota offers for new vehicle warranty coverage on the subject and peer vehicles is 36 months or 36,000 miles from the vehicle's date-of-first-use, whichever occurs first.

There are some extended warranty coverage options that Toyota offered for purchase with subject and peer vehicles. Detailed information about these options is provided electronically on CD-ROM, in PDF format entitled "Attachment 8.pdf".

The number of vehicles that are covered under each such extended warranty option is provided electronically on CD-ROM, in Microsoft Word 2000 format entitled "Attachment 9.doc".

Response 23: Defect Determination

In April 2004, Toyota received a Preliminary Evaluation (PE) Information Request (IR) letter regarding front suspension lower ball joint separation on 2002 MY Tundra vehicles from NHTSA. Toyota cooperated fully with NHTSA to investigate the issue. Toyota's internal investigation identified a scratch occurring on the surface of the ball of the ball joint, and Toyota provided this information to NHTSA. However, Toyota could not identify a relationship between the ball surface scratch and wear of the ball joint (including ball joint separation). Therefore, in June 2004, Toyota responded to NHTSA's IR, concluding that there was no evidence of the existence of a safety related defect in the subject vehicles.

In August 2004, NHTSA upgraded this investigation to an Engineering Analysis (EA). Since there were some reports of ball joints that had failed on vehicles with low mileage, Toyota continued to investigate the issue. No other factors, aside from the surface scratch, were identified. Toyota modified the test protocol for ball joint wear to better reflect customer vehicle driving habits. As a result, it was found that lower ball joint wear could be accelerated by the ball surface scratch under a specific test condition, when compared to ball joints without the surface scratch. Production records indicate that the lower ball joints manufactured from May 2001 to October 2003 may have been scratched during the assembly process.

In May 2005, as a result of their in depth investigation of the issue, Toyota decided to conduct a voluntary safety recall campaign. This safety campaign will also be conducted in Canada, Japan, Australia and other countries.

Data provided in these documents is current as of the following dates:

Response 2 and 3:

Consumer complaints and field reports (March 31, 2005)

Crash, injury, property damage claims, third-party arbitration, lawsuit (April 7, 2005)

Response 5, 6: Warranty, goodwill, extended warranty claims (April 12, 2005)

Attachment 1

The number of the subject and peer vehicles Toyota has manufactured for sale or lease in the United States is stored on CD-ROM as an electronic file.

Attachment 2

The detailed information for each subject and peer vehicles Toyota has manufactured for sale or lease in the United States is stored on CD-ROM as an electronic file.

Attachment 3

The table of the total complaint counts by source (complaints, field reports), model, model year, drive type and complaint category is stored on CD-ROM as an electronic file.

Attachment 4

The detailed information for each item (complaint, report, claim, notice, or matter) is stored on CD-ROM as an electronic file.

Attachment 5

The number of warranty claims, extended warranty claims and good will services that may relate to the subject component in the subject and peer vehicles is stored on CD-ROM as an electronic file.

Attachment 6

The detailed information for each warranty claims, extended warranty claims and good will services is stored on CD-ROM as an electronic file.

Attachment 7

The search criteria used to identify the claims and the list of labor operations, labor operation descriptions, problem codes and problem code descriptions applicable to the subject component in the subject and peer vehicles are stored on CD-ROM as an electronic file.

Attachment 8

The information about extended warranty coverage options is stored on CD-ROM as an electronic file.

Attachment 9

The number of vehicles that are covered under each such extended warranty option.

The following attachments are stored on CD-ROM

Attachment 1

Attachment 2

Attachment 3

Attachment 4

Attachment 5

Attachment 6

Attachment 7

Attachment 8

Attachment 9