A Subsidiary of Hyundai Motor Company (Kores)

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November 24, 2004

VIA FEDERAL EXPRESS

Jeffrey Quandt, Chief Vehicle Control Division Office of Defects Investigation National Highway Traffic Safety Administration 400 Seventh Street, S.W. Washington, D.C. 20590

Re:

Preliminary Evaluation (PE04-067) 2002-2004 Kia Sedona: Throttle

Dear Mr. Quandt:

This letter is submitted in response to your letter of September 29, 2004 sent to Hyundai America Technical Center, Inc. ("HATCI") (Reference NVS-213dsy/PE04-067). That letter requested information pertaining to the 2002 – 2004 Kia Sedona vehicles regarding allegations of the throttle cable causing the throttle to bind or stick. An event which occurred under cold weather conditions on Long Island, New York was specifically referred to, and the alleged defect definition was focused on particular climatic and environmental effects, which is where Kia has focused its investigation. Although HATCI is an organization independent of both Kia Motors Corp. ("KMC") and Kia Motors America, Inc. ("KMA"), it has been designated by those organizations to act as their communication liaison with the National Highway Traffic Safety Administration ("NHTSA"). This response is submitted to NHTSA by HATCI in that limited role. Although your letter defines "Kia" to include "Hyundai Motor America, Inc." and "Hyundai Motor Company", neither of those companies are part of Kia and thus this response only relates to Kia companies.

REQUEST NO. 1

State, by model and model year, the number of subject vehicles Kia has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by Kia, state the following:

- Vehicle identification number (VIN);
- b. Date of manufacture;
- c. Date manufacturer's new vehicle warranty coverage commenced; and

d. 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, PEO4-067 IR Enclosures, for a pre-formatted table which provides further details regarding this submission.

RESPONSE TO REQUEST NO. 1

Below is a table identifying the total number of 2002, 2003, and 2004 MY Sedona vehicles sold in the United States.

Model Year	Vehicles Produced
2002	49,731
2003	51,515
2004	53,140

A listing of all 2002-2004 Kia Sedona vehicles is provided on a Data Collection Disc under the category "PRODUCTION DATA" and submitted contemporaneously with this response.

REQUEST NO. 2

State the number of each of the following, received by Kia, or of which Kia is otherwise aware, which relate to, or may relate to, the alleged defect in the subject vehicles:

- Consumer complaints, including those from fleet operators;
- Field reports, including those submitted under EWR and 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 vehicle, property damage claims, consumer complaints, or field reports;
- d. Property damage claims:
- e. Third-party arbitration proceedings where Kin is or was a party to the arbitration; and
- f. Lawsuits, both pending and closed, in which Kia 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

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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 Kia'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.

RESPONSE TO REQUEST NO. 2

- a. Consumer communications—5
- Field Reports/Technical Assistance Reports—4
- Reports involving crash, injury or fatality alleging death or injury was caused by a
 possible defect—1 (see 2d)
- d. Property Damage Claims—1 (see 2c)
- e. Third Party Arbitrations—0
- f. Lawsuits-0

Kia's search included all files which included the words "accelerate", "throttle" and "pedal". The results were then reviewed to identify those items which relate, or may relate, to the alleged defect as described in your letter. The summary descriptions requested in your letter are attached. See Tab 1.

REQUEST NO. 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. Kia's tile number or other identifier used;
- The category of the item, as identified in Request No. 2 (i.e., consumer complaint, field report, etc.);
- Vehicle owner or fleet name (and fleet contact person), address, and telephone number;
- d. Vehicle's VIN;
- Vehicle's make, model and model year;

- f. Vehicle's mileage at time of incident;
- g. Incident date;
- h. Report or claim date:
- Whether a crash is alleged;
- Whether property damage is alleged;
- Number of alleged injuries, if any;
- l. Number of alleged fatalities, if any; and,
- m. Detailed summary (items "c" through "f").

Provide this information in Microsoft Access 2000, or a compatible format, entitled "COMPLAINT DATA." See Enclosure 1, PEO4-067 IR Enclosures, for a pre-formatted table which provides thither details regarding this submission.

RESPONSE TO REQUEST NO. 3

A listing of all responsive consumer communications is provided on a Data Collection Disc under the category "COMPLAINT DATA." In your letter, you requested that Kia provide the "vehicle's mileage at the time of the incident." In several cases, Kia has provided an estimate of the mileage which is represented by the "E" (i.e. 25000E) based on the vehicle's last warranty repair. Field reports are also provided on a Data Collection Disc under the category "COMPLAINT DATA".

REQUEST NO. 4

Produce copies of all documents related to each item within the scope of Request No. 2. Organize the documents separately by category (i.e., consumer complaints, field reports, etc.) and describe the method Kia used for any further organization of the documents.

RESPONSE TO REQUEST NO. 4

Copies of the documents identified in response to request number 2 are submitted with this letter response. See Tab 2. They are organized by the following categories:

- Consumer Affairs Department files from KMA's department database, along with Warranty History Inquiry reports for each such file (5)
- Field Reports (4)
- Technical Center Assistance Case Reports (0)

REQUEST NO. 5

State, by model and model year, a total count for all of the following categories of claims, collectively, that have been paid by Kia to date that relate to, or may relate to, the alleged defect in the subject 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:

- Kia's claim number;
- Vehicle owner or fleet name (and fleet contact person) and telephone number;
- c. VIN;
- Repair date;
- Vehicle mileage at time of repair;
- f. Repairing dealer's or facility's name, telephone number, city and state or ZIP code:
- g. Labor operation number;
- Problem code;
- Replacement part number(s) and description(s);
- Concern stated by customer; and
- 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, PEO4-067 IR Enclosures, for a pre-formatted table which provides further details regarding this submission.

RESPONSE TO REQUEST NO. 5

A listing of the responsive warranty claims is provided on a Data Collection Disc under the category "WARRANTY DATA".

<u>Codes Used.</u> In your letter, you requested that Kia provide its "problem code" information. Kia refers to the "problem code" as a "cause code", which carries the letter "C" which reflects the

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technician's evaluation of the cause of the problem. You also requested that Kia provide information regarding "concerns stated by the customer." Kia's code chart refers to these as "condition codes," but they are commonly referred to as "nature codes," and carry the "N" designation which reflects the service writer or technician's understanding of the customer's complaint.

REQUEST NO. 6

Describe in detail the search criteria used by Kia 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 alleged defect in the subject vehicles. State, by make and model year, the terms of the new vehicle warranty coverage offered by Kia on the subject 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 Kia offered for the subject vehicles, whether related to the subject component or not, and state by option, model, and model year, the number of vehicles that are covered under each such extended warranty.

RESPONSE TO REQUEST NO. 6

The warranty claim data was obtained by searching for all claims where the throttle submitted as to the part which might be related to this matter (i.e. Cable Assy—Accel). There was no attempt to narrow this universe at this time.

KMA's coding sheets for warranty claims are submitted with this response. See Tab 3.

The 2002-2004 Kia Sedona has a 5 year, 60,000 mile basic warranty which covers the accelerator cable of the vehicle. No extended or additional warranties were provided by KMA to customers.

REQUEST NO. 7

Produce copies of all service, warranty, and other documents that relate to, or may relate to, the alleged defect in the subject vehicles, that Kia has issued to any dealers, regional or zone offices, field offices, fleet purchasers, or other entities. This includes, but is not limited to, bulletins, advisories, informational documents, training documents, or other documents or communications, with the exception of standard shop manuals. Also include the latest draft copy of any communication that Kia is planning to issue within the next 120 days.

RESPONSE TO REQUEST NO. 7

There are no documents responsive to this request.

REQUEST NO. 8

Describe all assessments, analyses, testa, test results, studies, surveys, simulations, investigations, inquiries and/or evaluations (collectively, "actions") that relate to or may relate to, the alleged defect in the subject vehicles that have been conducted, are being conducted, are planned, or are being planned by, or for, Kia. For each such action, provide the following information:

- a. Action title or identifier,
- b. The actual or planned start date;
- The actual or expected end date;
- d. Brief summary of the subject and objective of the action;
- Engineering group(s)/supplier(s) responsible for designing and for conducting the action; and
- A brief summary of the findings and/or conclusions resulting from the action.

For each action identified, provide copies of all documents related to the action, regardless of whether the documents are in interim, draft, or final form. Organize the documents chronologically by action.

RESPONSE TO REQUEST NO. 8

To be provided with the extension response.

REQUEST NO. 9

Describe all modifications or changes made by, or on behalf of, Kia in the design, material composition, manufacture, quality control, supply, or installation of the subject component, whether used as original equipment or supplied as a service replacement component, from the start of production to date, which relate to, or may relate to, the alleged defect in the subject vehicles. For each such modification or change, provide the following information:

- The date or approximate date on which the modification or change was incorporated into vehicle production;
- A detailed description of the modification or change;
- The reason(s) for the modification or change;
- d. The part numbers (service and engineering) of the original component;

- e. The part number (service and engineering) of the modified component;
- f. Whether the original unmodified component was withdrawn from production and/or sale, and if so, when;
- When the modified component was made available as a service component; and
- Whether the modified component can be interchanged with earlier production components.

Also, provide the above information for any modification or change that Kia is aware of which maybe incorporated into vehicle production within the next 120 days.

RESPONSE TO REQUEST NO. 9

To be provided with the extension response.

REQUEST NO. 10

Produce two of each of the following:

- Exemplar samples of each design version of the original equipment subject component;
- Exemplar samples of each design version of the service replacement subject component;
- Field return samples of the subject component exhibiting each subject failure mode; and
- d. Any kits that have been released, or developed, by Kia for use in service repairs to the subject component/assembly which relate, or may relate, to the alleged defect in the subject vehicles.

RESPONSE TO REQUEST NO. 10

To be provided with the extension response.

REQUEST NO. 11

State the number of subject components that Kia has sold that may be used in the subject vehicles by component name, part number (both service and engineering/production), model and model year of the vehicle in which it is used and month/year of sale (Including the cut-off date for sales, if applicable). For each component part number, provide the supplier's name, address, and appropriate point of contact (name, title, and telephone number). Also identify by make,

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model and model year, any other vehicles of which Kia is aware that contain the identical component, whether installed in production or in service, and state the applicable dates of production or service usage.

RESPONSE TO REQUEST NO. 11

A chart identifying part sales is attached. See Tab 4.

The supplier of the accelerator cable (part number 0K52Y 41660G) is Daedong System Co. Ltd., and the point of contact is Bong-Chul Park (Engineer). Mr. Park can be reached at 3LT. 3 BL. Namdong Complex, 607-2, Namchon-Dong, Namdong-Ku, Inchon, Korea 405-100, (82) 32-819-0232.

REQUEST NO. 12

Furnish Kia's assessment of the alleged defect in the subject vehicle, including:

- a. The causal or contributory factor(s);
- b. The failure mechanism(s);
- c. The failure mode(s);
- d. The risk to motor vehicle safety that it poses;
- What warnings, if any, the operator and the other persons both inside and
 outside the vehicle would have that the alleged defect was occurring or
 subject component was maifunctioning; and
- The reports included with, this inquiry.

RESPONSE TO REQUEST NO. 12

To be provided with the extension response.

Sincerely yours,

Alfred/Gloddeck

Sr. Manager—Corporate Affairs

Yvonne Dalton

From:

Yvonne Dalton

Sent:

Tuesday, November 16, 2004 12:14 PM

To:

'jquandt@nhtsa.dot.gov'

Subject: Kla Sedona Extension (PE 04-067)

Dear Mr. Quandt:

This is to confirm that you have granted Kle an extension until January 10, 2005 in which to provide responses to Request Numbers 8, 9, 10 and 12. The basic information requested by you in Requests No's 1-7 and 11 will be submitted on November 24, 2004. This is also to confirm that you have requested updated claim/complaint information to be included in Kia's supplemental response due on January 10, 2005.

Thank you for your assistance and should you have any questions, please do not hecitate to contact me.

Yvenne Dalton Gordon & Rees LLP 4695 MacArthur Court, Suite 1200 Newport Beach, CA 92660 Telephone: (949) 255-6950 Facsimile: (949) 474-2060 Email: YDalton@gordonrees.com