



HYUNDAI · KIA MOTORS

December 1, 2006

Via Federal Express

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

*COPY FOR
SHIPMENT
DOCUMENTATION*

Re: Preliminary Evaluation (PE06-042) re Engine Cooling
Fan in 2002 Kia Sportage Vehicles

Dear Mr. Quandt:

This letter is submitted in response to your letter of November 8, 2006, 2006 sent to Hyundai America Technical Center, Inc. ("HATCI") (Reference NVS-212jfa/PE06-042). That letter raised certain issues and requested information regarding cracking and separation of fan blades from the engine cooling fan in the 2002 Kia Sportage vehicles. 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 liason with the National Highway Traffic Safety Administration ("NHSTA"). This response is submitted to NHTSA by HATCI in that limited role.

REQUEST NO. 1:

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

- a. Vehicle identification number (VIN);
- b. Date of manufacture;
- c. Date 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."

RESPONSE TO REQUEST NO. 1:

Below is a table identifying the total number of 2002 MY Sportage vehicles manufactured for sale in the United States.

Model	Model Year	Vehicles Produced
2 Door	2002	4,513
4 Door	2002	42,374
TOTAL		46,887

A listing of all 2002 Kia Sportage 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 are otherwise aware, which relate to, or may relate to, the alleged defect in the subject 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 vehicle, property damage claims, consumer complaints, or field reports;
- d. Reports involving a fire, 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;
- e. Property damage claims; and,
- f. Third-party arbitration proceedings where Kia is or was a party to the arbitration; and,
- g. Lawsuits, both pending and closed, in which Kia is or was a defendant or codefendant.

For subparts "a" through "e," 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 "g," 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 "f" and "g," 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— 716
- b. Field Reports/Technical Assistance Reports—28
- c. Reports involving crash, injury, or fatality alleging death or injury was caused possible defect—None
- d. Fire claims—None
- e. Property Damage Claims—None
- f. Third Party Arbitrations—None
- g. Lawsuits—None

Kia's search included all 2002 Kia Sportage files which included the word "fan". The results were then reviewed to identify those items which relate, or may relate to the alleged defect, as described in your letter.

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 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 a crash is alleged;
- j. Whether a fire is alleged;
- k. Whether property damage is alleged;
- l. Number of alleged injuries, if any; and
- m. Number of alleged fatalities, if any.

Provide this information in Microsoft Access 2000, or a compatible format, entitled "REQUEST NUMBER TWO DATA."

RESPONSE TO REQUEST NO. 3:

A listing of all responsive consumer communications and field reports/technical assistance reports are provided on a Data Collection Disc under the category "REQUEST NUMBER TWO 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 organizing the documents.

RESPONSE TO REQUEST NO. 4:

Copies of the documents identified in response to Request No. 2 are submitted with this letter. See **Tab 1**. They are organized by the following categories:

- Consumer Affairs Department files from KMA's department database.
- Field Reports.
- Technical Center Assistance Case Reports.

REQUEST NO. 5:

State 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:

- a. Kia's claim number;
- b. Vehicle owner or fleet name (and fleet contact person) and telephone number;
- c. VIN;
- d. Repair date;
- e. 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;
- h. Problem code;
- i. Replacement part number(s) and description(s);
- j. Concern stated by customer; and
- k. 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."

RESPONSE TO REQUEST NO. 5:

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

Codes Used. 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 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. These reflect the service writer's or technician's understanding of the customer's information.

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 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 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 fan replacement claims. There was no attempt to narrow the search in any way and thus the full universe of fan replacements has been provided at this time.

KMA's coding sheet for warranty claims is submitted with this response. **See Tab 2.**

The 2002 MY Kia Sportages have a 5 year, 60,000 mile basic warranty. No extended or additional warranties were provided by Kia 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:

Two parts bulletins were issued dated August 2003 and December 2003 relating to the Sportage cooling fan blade. On November 1, 2003, KMA issued a Technical Service Bulletin regarding "Sportage Cooling Fan Replacement (Engine - 014)." **See Tab 3.**

REQUEST NO. 8:

Describe all assessments, analyses, tests, 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;
- c. The actual or expected end date;
- d. Brief summary of the subject and objective of the action;
- e. Engineering group(s)/supplier(s) responsible for designing and for conducting the action; and
- f. 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:

Pursuant to the extension that you granted KMA, this information will be sent on December 22, 2006.

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, 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:

- a. The date or approximate date on which the modification or change was incorporated into vehicle production;
- b. A detailed description of the modification or change;
- c. 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;
- g. When the modified component was made available as a service component; and

- h. 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 may be incorporated into vehicle production within the next 120 days.

RESPONSE TO REQUEST NO. 9:

Pursuant to the extension that you granted KMA, this information will be sent on December 22, 2006.

REQUEST NO. 10:

Produce one of each of the following:

- a. Exemplar samples of each design version of the subject components;
- b. Field return samples of the subject component exhibiting the subject failure mode;
- c. 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:

Pursuant to the extension that you granted KMA, these items will be sent on December 22, 2006.

REQUEST NO. 11:

State the number of each of the following that Kia has sold that is used in the subject vehicles by component name, part number (both service and engineering/production), and the month/year of sale (including the cut-off date for sales, if applicable):

- a. Subject components;
- b. Any kits that have been released, or developed, by Kia for use in service repairs to the subject component/assembly.

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, model and model year, any other vehicles which Kia has produced that contain the identical subject components, 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 fan assembly is GMB Korea Corp. and the point of contact is Jong Moon Byun (General Manager of Quality Assurance Team. Mr. Byun can be reached at #48 SungdanDong Changwon City Gyeongnam, 641-315, Korea. The phone number is 82-55-279-1305.

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; and
- e. 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 malfunctioning; and
- f. The reports included with this inquiry.

RESPONSE TO REQUEST NO. 12:

Pursuant to the extension that you granted KMA, this assessment will be sent on December 22, 2006.

Sincerely yours,



Robert Babcock
Manager—Corporate Affairs