

July 3, 2008

VIA FEDERAL EXPRESS

Jeffrey L. Quandt, Chief Vehicle Control Division Office of Defects Investigation U.S. Department of Transportation National Highway Traffic Safety Administration 1200 New Jersey Avenue, S.E. Washington D.C. 20590

Re: Preliminary Evaluation (PE08-033)

MY 2002 through 2004 Kia Sedona; Binding or Lock-Up of Steering

Intermediate Shaft

Dear Mr. Quandt:

This letter is submitted in response to your letter dated May 5, 2008 (Reference NVS-213 cnl / PE08-033). That letter requested information to assist with an investigation of alleged binding or lock-up of the steering intermediate shaft in certain 2002-2004 model year Kia Sedonas.

Although HATCI is an organization independent of both Kia Motors Corporation ("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.

REQUEST NO. 1:

State, by model, engine 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:

- a. Vehicle identification number (VIN);
- b. Model;
- c. Engine;
- d. Model Year;
- e. Date of manufacture;
- f. Date warranty coverage commenced; and
- g. The State in the United States where the vehicle was originally sold or leased (or delivered for sale or lease.)

Hyundai-Kia America Technical Center Inc. 6800 Geddes Road, Superior Township, MI 48198

TEL: 734-337-9499 FAX: 734-483-5919

www.hatci.com

Jeffrey L. Quandt, Chief Office of Defects Investigation Page 2 of 9

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 TO REQUEST NO. 1:

Below is a table identifying the total number of 2002-2004 Kia Sedona vehicles manufactured for sale in the United States.

Model Year	Vehicles Produced
2002	49,731
2003	51,515
2004	53,141
Total	154,387

A listing of all 2002-2004 Kia Sedona vehicles is provided on a Data Collection Disc under the category "PRODUCTION DATA" and is 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:

- a. Consumer complaints, including those from fleet operators;
- b. Field reports, including dealer field reports;
- c. Owner, consumer, and fleet reports or complaints where speed at failure was 20 mph or greater;
- d. Owner, consumer, and fleet reports or complaints where speed at failure was less than 20 mph;
- e. Owner, consumer, and fleet reports or complaints where speed at failure was unknown;
- f. 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;
- g. Property damage claims; and
- h. Third-party arbitration proceedings where Kia is or was a party to the arbitration; and
- i. Lawsuits, both pending and closed, in which Kia is or was a defendant or codefendant.

For subparts "a" through "h" 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).

Jeffrey L. Quandt, Chief Office of Defects Investigation Page 3 of 9

In addition, for items, "f" through "i," 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 "i" and "j," identify the parties to the action, as well as the caption, court, docket number, and the date on which the complaint or other document initiating the action was filed.

RESPONSE TO REQUEST NO. 2:

Pursuant to your letter, we searched for all upper arm assembly separation incidents and found the following:

- a. Consumer Complaints—95
- b. Field Reports/Technical Case Center Assistance Reports—44
- c. Owner, consumer, and fleet reports or complaints where speed at time of customer concern was identified at time of report as 20 mph or greater—1
- d. Owner, consumer, and fleet reports or complaints where speed at time of customer concern was identified at time of report as less than 20 mph—0
- e. Owner, consumer, and fleet reports or complaints where speed at time of customer concern was not identified at time of report—94
- f. Reports involving crash, injury or fatality alleging death or injury caused by possible defect—1
- e. Property Damage Claims—1
- f. Third Party Arbitrations—0
- g. Lawsuits—0

Kia's search includes all files which contained the words "steer" and "hard" or "turn" or "noise" or "lock" or "bind". 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 file number or other identifier used;

Jeffrey L. Quandt, Chief Office of Defects Investigation Page 4 of 9

- 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);
- d. Vehicle owner's address;
- e. Vehicle owner's contact telephone number(s);
- f. Vehicle's VIN;
- g. Vehicle's model;
- h. Vehicle's model year;
- i. Vehicle's mileage at time of incident;
- i. Incident date;
- k. Report or claim date;
- 1. Whether a crash is alleged;
- m. Whether property damage is alleged;
- n. Number of alleged injuries, if any; and
- o. Number of alleged fatalities, if any.

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

RESPONSE TO REQUEST NO. 3:

A listing of all responsive consumer communications and field/dealer reports is 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**2. They are organized by the following categories:

- Consumer Affairs Department files from KMA's department database (95).
- Field Reports (8)
- Technical Center Assistance Case Reports (36)

Jeffrey L. Quandt, Chief Office of Defects Investigation Page 5 of 9

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:

- a. Kia's claim number;
- b. Vehicle owner or fleet name (and fleet contact person);
- c. Vehicle owner's address;
- d. Vehicle owner's contact telephone number(s);
- e. VIN;
- f. Repair date;
- g. Vehicle mileage at time of repair;
- h. Repairing dealer's or facility's name, telephone number, city and state or ZIP code;
- i. Labor operation number;
- j. Problem code;
- k. Replacement part number(s) and description(s);
- 1. Concern stated by customer;
- m. The cause and correction of the concern; 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 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" and 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.

Jeffrey L. Quandt, Chief Office of Defects Investigation Page 6 of 9

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 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 claims data was obtained by searching for all claims involving the replacement of the intermediate shaft (0K52Y32550) or intermediate shaft assembly (0K52Y32090) for a total of 4003 claims. The total claim number includes warranty data where the intermediate shaft was replaced whether or not it was the causal part. The claim data provided is through May 9, 2008.

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

The 2002-2004 MY Kia Sedona vehicles have a 5 year, 60,000 mile basic warranty. **See Tab 4.** 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:

There are no such documents that relate to the alleged defect in Kia Sedona vehicles.

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;

Jeffrey L. Quandt, Chief Office of Defects Investigation Page 7 of 9

- 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 granted to Kia on June 11, 2008, this information will be provided on August 4, 2008.

REQUEST NO. 9:

Describe all modifications or changes made by, or on behalf of, Kia in the design, material composition, manufacture, quality control, supply, installation or routing 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 number(s) (service and engineering) of the original component;
- e) The part number(s) (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 granted to Kia on June 11, 2008, this information will be provided on August 4, 2008.

Jeffrey L. Quandt, Chief Office of Defects Investigation Page 8 of 9

REQUEST NO. 10:

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, 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. 10:

A chart identifying part sales is attached. See Tab 5.

Pursuant to the extension granted to Kia on June 11, 2008, this information will be provided on August 4, 2008.

REQUEST NO. 11

Provide three field return samples of the subject components representative of the most extreme condition of steering binding/resistance associated with the alleged defect condition and a sample of the current service part.

RESPONSE TO REQUEST NO. 11:

Pursuant to the extension granted to Kia on June 11, 2008, this information will be provided on August 4, 2008.

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;
- 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.

Jeffrey L. Quandt, Chief Office of Defects Investigation Page 9 of 9

RESPONSE TO REQUEST NO. 12:

Pursuant to the extension granted to Kia on June 11, 2008, this information will be provided on August 4, 2008.

Sincerely,

Robert Babcock
Robert Babcock

Senior Manager, Regulation and Certification Department