

TOYOTA
TOYOTA MOTOR NORTH AMERICA, INC.

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February 24, 2009

Mr. Jeffrey Quandt, Chief
Vehicle Control Division (NVS-213, Rm W48-312)
NHTSA, Office of Defects Investigation
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: NVS-213swmc; PE08-072

Dear Mr. Quandt:

This letter is being sent in response to your January 5, 2009 letter regarding PE08-072. Enclosed you will find two copies of this response. Per our agreement, the remainder of our response to your letter will be submitted on March 17. Please note that Toyota considers certain information within the attachments to be confidential, and has requested confidential treatment for this material from the Office of Chief Counsel. We are including hard copies of this material in redacted format. Should you have any questions about this response, please contact Mr. Chris Santucci of my staff at (202) 775-1707.

Sincerely,



Chris Tinto
Vice President
TOYOTA MOTOR NORTH AMERICA, INC.

CT:cs
Enclosure

[Faint purple stamp: NVS-213, 2009 FEB 29 P 3 11, OFFICE OF DEFECTS INVESTIGATION]

1. State, by model year, the number of subject 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. Model;
- c. Model Year;
- d. Date of manufacture;
- e. Date warranty coverage commenced; and
- f. 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 pre-formatted table which provides further details regarding this submission.

Response 1

The number of MY 2003-2005 Toyota Sequoia vehicles manufactured for sale or lease in the United States by model year is as follows:

Model	2003 MY	2004MY	2005 MY	Total
Sequoia	68,289	61,329	49,259	178,877

In addition, the detailed information responsive to "a" through "f" is provided electronically on CD-ROM in Microsoft Access 2000 format entitled "PRODUCTION DATA (PE08072).mdb" stored in the folder "Attachment-Response 1."

2. State 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 subject system 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. 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.

Response 2

Using the methodology described in your question above, the number of reports which relate to, or may relate to, the alleged defect on the subject vehicles are provided electronically on CD-ROM in Microsoft Excel 2000 format entitled "Total Count for Reports.xls" stored in the folder "Attachment-Response 2".

Toyota did not include the complaints and reports which only describe the illumination of the slip indicator, or VSC/TRAC, ABS and/or Brake warning light and do not mention any phenomenon of inappropriate activation of the VSC or Traction system, or sudden and unexpected braking and/or loss of engine power. Those complaints account for approximately 85% of consumer complaints which relate to the VSC system.

In addition, it is unclear if the activation of the VSC or Traction system reported in some of complaints provided in this response may be caused by any malfunction of the VSC system or may be initiated as designed without any malfunction of the system.

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. 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 property damage is alleged;
- k. Number of alleged injuries, if any; and
- l. 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 3

The information "a" through "l" for each item (complaint, report, claim, notice, or matter) is provided electronically on CD-ROM in Microsoft Access 2000 format entitled "REQUEST NUMBER TWO DATA (PE08072).mdb" stored in the folder "Attachment-Response 3".

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 Toyota used for organizing the documents.

Response 4

Lists of the consumer complaints, the copies of the field reports, and the documents related to the legal related claim, are all provided electronically on CD-ROM in Microsoft Excel 2000, or PDF format stored in the folder "Attachment-Response 4." (The list of consumer complaints is stored in the sub-folder "Consumer Complaint." The copies of the field reports are stored in sub-folder "Field Report." The copies of the documents for the legal related claim are stored in the sub-folder "Legal Related Claims.")

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5. 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 system 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. Toyota's claim number;
- b. Vehicle owner or fleet name (and fleet contact person) and telephone number;
- c. VIN;
- d. Model Year;
- 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. Concern stated by customer;
- l. Cause and correction; and
- m. Additional 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 count of warranty claims, extended warranty claims and claims for good will services paid by Toyota for the subject vehicles that relate to the subject components are provided electronically on CD-ROM in Microsoft Excel 2000 format entitled "Total Count for Claims.xls" stored in the folder "Attachment-Response 5".

The detailed information for each claim is also provided electronically on CD-ROM in Microsoft Access 2000 format entitled "Warranty Data (PE08072).mdb" stored in the folder "Attachment-Response 5".

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 alleged defect in the subject vehicles. State the terms of the new vehicle warranty coverage offered by Toyota 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 Toyota 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 6

The search criteria used by Toyota to identify the claims is the following:

Toyota searched the warranty database for those claims that replaced any of the parts identified in Microsoft Excel file entitled "Search Criteria, Operation & Problem Codes.xls" stored in the folder "Attachment- Response 6" on CD-ROM. In addition, a list of all labor operations, labor operation descriptions, problem codes and problem code descriptions identified in these warranty claims are also provided in the same Microsoft Excel file described above.

The terms that Toyota offers for new vehicle warranty coverage on MY 2003-2005 Sequoia vehicles is as follows;

For the VSC system

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 the subject vehicles. Detailed information about these options is provided electronically on CD-ROM, in PDF format, entitled "Extended Warranty Option.pdf" stored in the folder "Attachment-Response 6."

The number of vehicles that are covered under each such extended warranty option, by option, model, and model year is provided as "Attachment-Response 6-1". Please note that this "Attachment-Response 6-1" contains trade secret and commercial information, therefore, Toyota believes that this document must be afforded confidential treatment. A request for confidential treatment of this document has been sent to the Office of Chief Counsel. A public version of this document is included with this response.

7. Produce copies of all service, warranty, and other documents that relate to, or may relate to, the subject system in the subject vehicles, that Toyota 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 Toyota is planning to issue within the next 120 days.

Response 7

Toyota has issued five service bulletins that relate to the subject system. Three of them are cited in your Information Request letter (NVS-213swmc) which are BR002-03, BR003-03 and BR006-06. Other two bulletins are intended to clarify the Repair Manual procedures and inform dealers when and how zero point calibration of sensors and sensor check must be performed.

Copies of the service bulletins are provided electronically on CD-ROM in PDF format stored in the folder "Attachment-Response 7".

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 subject system in the subject vehicles that have been conducted, are being conducted, are planned, or are being planned by, or for, Toyota. 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 8

Toyota will respond to this inquiry on March 17, 2009.

9. Describe all modifications or changes made by, or on behalf of, Toyota in the design, material composition, manufacture, quality control, supply, or installation of the subject components, 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 Toyota is aware of which may be incorporated into vehicle production within the next 120 days.

Response 9

Toyota will respond to this inquiry on March 17, 2009.

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

- a. Subject components; and
- b. Any kits that have been released, or developed, by Toyota 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 of which Toyota 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 10

The number of the subject component that Toyota has sold that may be used in the subject vehicles are provided electronically on CD-ROM in Microsoft Excel 2000 format entitled "Number of components sold in the US.xls" stored in the folder "Attachment-Response 10".

In addition, the supplier's name, address, and appropriate point of contact (name, title, and telephone number) for the subject component part number are also provided electronically in Microsoft Excel 2000 format entitled "Supplier Information.xls".

As for other vehicles which contain the identical component, Toyota is providing make, model, model year and the applicable dates of production electronically in Microsoft Excel 2000 format entitled "Other vehicles using identical parts.xls".

11. Provide the following information regarding the subject bulletins:

- a. A chronology of events related to the issuance of the bulletin, including a detailed description of when and how Toyota first recognized the concerns described in the bulletins, what actions were taken to investigate the concern and all meetings conducted to review the concerns and make the decision to issue the bulletins and each revision thereof; and
- b. Copies of all documents related to investigation and review of the concerns addressed by the subject bulletins, including all material presented at all meetings conducted to review the investigation and analysis of field data (e.g., complaints, field reports, and warranty data), the development of the correction, predicted failure rates, and the potential safety consequences.

Response 11

Toyota will respond to this inquiry on March 17, 2009.

12. Provide a detailed description of the VSC system used in the subject vehicles, including:

- a. A description of system operation, including a diagram showing all sensor inputs, all control modules and all controls;
- b. Copies of all electrical schematics and circuit diagrams;
- c. Copies of all failure modes and effects analyses;
- d. A detailed description of the full range of braking and throttle control authorities of the VSC system during stability control events and the maximum vehicle deceleration that can result from such events;
- e. Describe and provide copies of all documents related to tests or other analyses conducted by, or for, Toyota regarding the effects of inappropriate VSC activation on vehicle control in various driving conditions;
- f. A description of all visual and audible indicators available to the vehicle operator to signal VSC activation or a fault in the VSC system;
- g. A listing of all trouble/fault codes associated with the VSC system and a description of how each is detected;
- h. A detailed description of the VSC system self diagnostics and all faults/conditions that will cause the system to deactivate;
- i. A detailed description of how contaminated rear wheel speed sensors can affect VSC operation; and
- j. The maximum time duration of a VSC activation event in the subject vehicles.

Response 12

Toyota will respond to this inquiry on March 17, 2009.

13. Furnish Toyota'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.

Response 13

Toyota will respond to this inquiry on March 17, 2009.

* * *

Regarding privileged documents that may be responsive to this information request, Toyota understands that it is acceptable to the Agency at this stage for Toyota to identify categories of privileged documents rather than any specific document within those categories. These categories include (a) communications between outside counsel and employees of Toyota's Law Department, other Toyota employees, or employees of parties represented by Toyota in litigation or claims; (b) communications between employees of Toyota's Law Department and other Toyota employees or employees of parties represented by Toyota in litigation or claims; (c) notes and other work product of outside counsel or employees of Toyota's Law Department, including work product of employees or consultants done for or at the request of outside counsel or Toyota's Law Department. For any privileged documents that are not covered by these categories, if any, Toyota will provide a privilege log identifying any such documents under separate cover. Toyota is not claiming a legal privilege for any documents provided with this response; however, Toyota does not waive the legal privilege or work product protection with respect to other documents that may have been prepared in connection with a specific litigation or claim. In addition, Toyota may assert the attorney client privilege or claim protection under the work-product doctrine for analyses or other documents that may be prepared in connection with litigation or claims in the future.

Toyota understands that NHTSA will protect any private information about persons that is contained in the Attachments to this response, based on privacy policy considerations. Such private information includes data such as names, addresses, phone or fax numbers, email addresses, license plate numbers, driver's license numbers and last 4 digits of the vehicle's VIN.

Data provided in this document is current as of the following dates:

Response		Dates
Response 1	Production Data	1/21/2009
Response 2 - 4	Consumer Complaint	1/27/2009
	Field Report	2/18/2009
	Lawsuit	1/27/2009
Response 5	Warranty claims	1/19/2009
	Goodwill	1/27/2009
	Extended warranty claims	1/26/2009
Response 7	Dealer communications	1/21/2009
Response 10	Part sales	2/19/2009

CONFIDENTIAL BUSINESS INFORMATION

Attachment-Reponse 6-1

The Number of vehicles covered under extended warranty

Model	MY	Gold	Platinum	Powertrain	Total
Sequoia	2003				
	2004				
	2005				
Total					