



U.S. Department
of Transportation
**National Highway
Traffic Safety
Administration**

DEC 7 2010

1200 New Jersey Avenue SE.
Washington, DC 20590

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Robert Babcock
Senior Manager
Certification and Compliance Affairs
Hyundai-Kia America Technical Center, Inc.
6800 Geddes Road
Superior Township, MI 48198

NVS-212mj1
PE10-046

Dear Mr. Babcock:

This letter is to inform you that the Office of Defects Investigation (ODI) of the National Highway Traffic Safety Administration (NHTSA) has opened a Preliminary Evaluation (PE10-046) to investigate allegations of automatic transmission shift cable detachment in model year (MY) 2007 Kia Optima vehicles. As part of the investigation, this letter requests certain information from Hyundai-Kia America Technical Center (Hyundai-Kia).

This office has received four Vehicle Owner's Questionnaire (VOQ) reports alleging automatic transmission shift cable detachment resulting in inability to select and engage the gears (park, drive and reverse) in MY 2007 Kia Optima vehicles. One of the complaints also reported a rollaway incident after parking the vehicle. An electronic image of each VOQ report has been e-mailed to your office. A list of the reference number of each report is shown at the end of this letter.

Unless otherwise stated in the text, the following definitions apply to these information requests:

- **Subject vehicles:** All MY 2006 and 2007 Kia Optima vehicles equipped with automatic transmission.
- **Subject component:** Automatic transmission shift cable and its attachment/mounting components.
- **Hyundai-Kia:** Hyundai-Kia America Technical Center, Kia Motors Corporation, and Hyundai Motor Company, all of its past and present officers and employees, whether assigned to its principal offices or any of its field or other locations, including all of their divisions, subsidiaries (whether or not incorporated) and affiliated enterprises and all of their headquarters, regional, zone and other offices and their employees, and all agents, contractors, consultants, attorneys and law firms and other persons engaged directly or



indirectly (e.g., employee of a consultant) by or under the control of Hyundai-Kia (including all business units and persons previously referred to), who are or, in or after 2004, were involved in any way with any of the following related to the alleged defect in the subject vehicles:

- a. Design, engineering, analysis, modification or production (e.g., quality control);
 - b. Testing, assessment or evaluation;
 - c. Consideration, or recognition of potential or actual defects, reporting, record-keeping and information management, (e.g., complaints, field reports, warranty information, part sales), analysis, claims, or lawsuits; or
 - d. Communication to, from or intended for zone representatives, fleets, dealers, or other field locations, including but not limited to people who have the capacity to obtain information from dealers.
- **Alleged defect:** Any one or more of the following: automatic transmission gear shift cable failure, breakage or detachment from the shifter assembly; gear indicator ("PRNDL") not indicating the correct gear position; difficulty or inability to select or engage a gear(s) (park, drive and/or reverse); and any rollaway incident after parking the vehicle.
 - **Document:** "Document(s)" is used in the broadest sense of the word and shall mean all original written, printed, typed, recorded, or graphic matter whatsoever, however produced or reproduced, of every kind, nature, and description, and all non-identical copies of both sides thereof, including, but not limited to, papers, letters, memoranda, correspondence, communications, electronic mail (e-mail) messages (existing in hard copy and/or in electronic storage), faxes, mailgrams, telegrams, cables, telex messages, notes, annotations, working papers, drafts, minutes, records, audio and video recordings, data, databases, other information bases, summaries, charts, tables, graphics, other visual displays, photographs, statements, interviews, opinions, reports, newspaper articles, studies, analyses, evaluations, interpretations, contracts, agreements, jottings, agendas, bulletins, notices, announcements, instructions, blueprints, drawings, as-builts, changes, manuals, publications, work schedules, journals, statistical data, desk, portable and computer calendars, appointment books, diaries, travel reports, lists, tabulations, computer printouts, data processing program libraries, data processing inputs and outputs, microfilms, microfiches, statements for services, resolutions, financial statements, governmental records, business records, personnel records, work orders, pleadings, discovery in any form, affidavits, motions, responses to discovery, all transcripts, administrative filings and all mechanical, magnetic, photographic and electronic records or recordings of any kind, including any storage media associated with computers, including, but not limited to, information on hard drives, floppy disks, backup tapes, and zip drives, electronic communications, including but not limited to, the Internet and shall include any drafts or revisions pertaining to any of the foregoing, all other things similar to any of the foregoing, however denominated by Hyundai-Kia, any other data compilations from which information can be obtained, translated if necessary, into a usable form and any other documents. For purposes of this request, any document, which contains any note, comment, addition, deletion, insertion, annotation, or otherwise comprises a non-identical copy of another document, shall be treated as a separate

document subject to production. In all cases where original and any non-identical copies are not available, "document(s)" also means any identical copies of the original and all non-identical copies thereof. Any document, record, graph, chart, film or photograph originally produced in color must be provided in color. Furnish all documents whether verified by Hyundai-Kia or not. If a document is not in the English language, provide both the original document and an English translation of the document.

- **Other Terms:** To the extent that they are used in these information requests, the terms "claim," "consumer complaint," "dealer field report," "field report," "fire," "fleet," "good will," "make," "model," "model year," "notice," "property damage," "property damage claim," "rollover," "type," "warranty," "warranty adjustment," and "warranty claim," whether used in singular or in plural form, have the same meaning as found in 49 CFR 579.4.

In order for my staff to evaluate the alleged defect, certain information is required. Pursuant to 49 U.S.C. § 30166, please provide numbered responses to the following information requests. Insofar as Hyundai-Kia has previously provided a document to ODI, Hyundai-Kia may produce it again or identify the document, the document submission to ODI in which it was included and the precise location in that submission where the document is located. When documents are produced, the documents shall be produced in an identified, organized manner that corresponds with the organization of this information request letter (including all individual requests and subparts). When documents are produced and the documents would not, standing alone, be self-explanatory, the production of documents shall be supplemented and accompanied by explanation.

Please repeat the applicable request verbatim above each response. After Hyundai-Kia's response to each request, identify the source of the information and indicate the last date the information was gathered.

1. State, by model and model year, the number of the subject vehicles that Hyundai-Kia has manufactured for sale or lease in the United States. Separately, for each subject vehicle manufactured to date by Hyundai-Kia, state the following:
 - a. Vehicle identification number (VIN);
 - b. Make;
 - c. Model;
 - 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).

Provide the table in Microsoft Access 2000, or a compatible format, entitled "PRODUCTION DATA."

2. State the number of each of the following, received by Hyundai-Kia, or of which Hyundai-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. Reports involving a crash, fire, 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 Hyundai-Kia is or was a party to the arbitration; and
 - f. Lawsuits, both pending and closed, in which Hyundai-Kia is or was a defendant or codefendant.

For subparts "a" through "f," 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 Hyundai-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.

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. Hyundai-Kia's file number or other identifier used;
 - b. The category of the item, as identified in Request No. 3 (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 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."

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 Hyundai-Kia used for organizing the documents.
5. State, by model and model year, a total count for all of the following categories of claims, collectively, that have been paid by Hyundai-Kia to date that relate to, or may relate to, the alleged defect in the subject vehicles including all claims for repairs of the subject components: 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 (TSB) or customer satisfaction campaign. Also, state, by model and model year, a total count for all claims that relate to repairs related to any TSBs involving the subject components.

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

- a. Hyundai-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. Whether or not the repair is related to a TSB (and if so, identify the TSB number);
- j. Replacement part number(s) and description(s);
- k. Concern stated by customer; and
- l. 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."

6. Describe in detail the search criteria used by Hyundai-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 lists 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 Hyundai-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 Hyundai-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.
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 Hyundai-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 Hyundai-Kia is planning to issue within the next 120 days.

Summarize and provide a brief chronology of all actions taken by Hyundai-Kia leading to each of the technical service bulletins that have been issued relating to the alleged defect in the subject vehicles. Provide copies of all documents, organized in chronological order, related to the development of these bulletins.

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, Hyundai-Kia. This includes but is not limited to any and all actions by the subject component manufacturer relating to the alleged defect. 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. If an action is not complete, provide a detailed schedule for the work to be done, tentative findings and/or conclusions, and provide an update within 10 days of completion of the action.

9. Describe all modifications or changes made by or on behalf of Hyundai-Kia (e.g., by a supplier) in the design 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) (engineering and service) of the original component;
 - e. The part number(s) (engineering and service) 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 Hyundai-Kia is aware of which may be incorporated into vehicle production within the next 120 days.

10. Provide one exemplar sample of each design version of the automatic transmission shifter assembly used in the subject vehicles. Also, provide an exploded view diagram of each assembly with the name of each part of the assembly clearly labeled.
11. State the number of each component of the subject components that Hyundai-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 subject component part number, provide the supplier's name, address, and point of contact used by Hyundai-Kia (name, title, and telephone number). Also, identify by make, model and model year, any other vehicles of which Hyundai-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.

12. Furnish Hyundai-Kia's assessment of the alleged defect in the subject vehicles, 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 VOQ reports referenced in this inquiry.

This letter is being sent to Hyundai-Kia pursuant to 49 U.S.C. § 30166, which authorizes NHTSA to conduct any investigation that may be necessary to enforce Chapter 301 of Title 49 and to request reports and the production of things. It constitutes a new request for information. Hyundai-Kia's failure to respond promptly and fully to this letter could subject Hyundai-Kia to civil penalties pursuant to 49 U.S.C. § 30165 or lead to an action for injunctive relief pursuant to 49 U.S.C. § 30163. (Other remedies and sanctions are available as well.) Section 5(a) of the TREAD Act, codified at 49 U.S.C. § 30165(b), provides for civil penalties of up to \$6,000 per day, with a maximum of \$16,375,000 for a related series of violations, for failing or refusing to perform an act required under 49 U.S.C. § 30166. See 49 CFR 578.6 (as amended by 71 Fed. Reg. 28279 (May 16, 2006)). This includes failing to respond to ODI information requests.

If Hyundai-Kia cannot respond to any specific request or subpart(s) thereof, please state the reason why it is unable to do so. If on the basis of attorney-client, attorney work product, or other privilege, Hyundai-Kia does not submit one or more requested documents or items of information in response to this information request, Hyundai-Kia must provide a privilege log identifying each document or item withheld, and stating the date, subject or title, the name and position of the person(s) from, and the person(s) to whom it was sent, and the name and position

of any other recipient (to include all carbon copies or blind carbon copies), the nature of that information or material, and the basis for the claim of privilege and why that privilege applies.

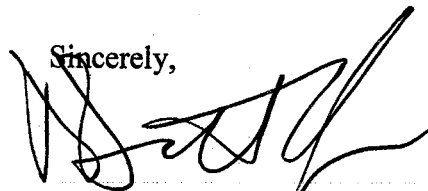
Hyundai-Kia's response to this letter, in duplicate, together with a copy of any confidentiality request, must be submitted to this office by January 27, 2011. **All business confidential information must be submitted directly to the Office of Chief Counsel as described in the following paragraph and should not be sent to this office.** In addition do not submit any business confidential information in the body of the letter submitted to this office. Please refer to PE10-046 in Hyundai-Kia's response to this letter. If Hyundai-Kia finds that it is unable to provide all of the information requested within the time allotted, Hyundai-Kia must request an extension from me at (202) 366-0139 no later than five business days before the response due date. If Hyundai-Kia is unable to provide all of the information requested by the original deadline, it must submit a partial response by the original deadline with whatever information Hyundai-Kia then has available, even if an extension has been granted.

If Hyundai-Kia claims that any of the information or documents provided in response to this information request constitute confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or are protected from disclosure pursuant to 18 U.S.C. § 1905, Hyundai-Kia must submit supporting information together with the materials that are the subject of the confidentiality request, in accordance with 49 CFR Part 512, as amended (69 Fed. Reg. 21409 et seq; April 21, 2004), to the Office of Chief Counsel (NCC-113), National Highway Traffic Safety Administration, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. Hyundai-Kia is required to **submit two copies of the documents containing allegedly confidential information (except only one copy of blueprints) and one copy of the documents from which information claimed to be confidential has been deleted.** Please remember that the word "CONFIDENTIAL" must appear at the top of each page containing information claimed to be confidential, and the information must be clearly identified in accordance with 5 U.S.C. § 512.6.

Please send email notification to Mr. Michael Lee (Michael.Lee@dot.gov) and to ODI_IRresponse@dot.gov when Hyundai-Kia sends its response to this office and indicate whether there is confidential information as part of Hyundai-Kia's response.

If you have any technical questions concerning this matter, please call Mr. Lee of my staff at (202) 366-5236.

Sincerely,



D. Scott Yon, Chief
Vehicle Integrity Division
Office of Defects Investigation

12/7/10

Vehicle Owner Questionnaire Reference Nos: 10368330, 10342445, 10341852, 10276786