TOYOTA CUSTOMER SERVICES

INTEROFFICE MEMORANDUM

To: Region/Private Distributor General Managers & Vice Presidents

November 23, 2004 TMS-NTC-04224

From:

Dave Zellers

Vice President Product Quality & Service Support

Subject: Certain 2000 and 2001 Model Year Celica Daytime Running Lights (DRL)

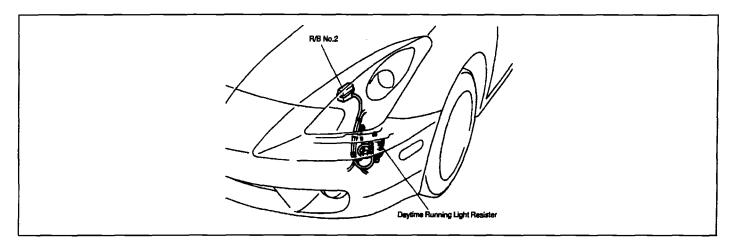
In early 2005, Toyota will initiate a voluntary Special Service Campaign (SSC) to install a resistor on certain 2000 and 2001 Model Year (MY) Celica vehicles.

BACKGROUND

• In September, 2001, Toyota filed a Non-Compliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA). A Pre-Delivery Activity (SSC 10J) was conducted on vehicles that remained in new vehicle inventory at the time as required by regulation. Toyota petitioned the NHTSA for an Inconsequential Non-Compliance exemption for vehicles that were already sold. The NHTSA has denied Toyota's petition and instructed us to conduct an SSC within the next few months.

CONDITION

 Due to a design error, the DRL on certain 2000 and 2001 model year Celica vehicles operates at high illumination during vehicle operation. At this high illumination level, the Celica does not meet certain luminous intensity requirements.



STATUS

- An SSC to install a resistor pack for the DRL system will be launched in early 2005.
- The attached Dealer Daily message will be sent to all dealers informing them of the issue.
- If your staff should receive any contacts from owners experiencing issues with the DRL system, please direct the owner to their local Toyota dealer for diagnosis and/or replacement.
- A Q&A has been attached for your reference.

Please review this preliminary notification with your staff to assure that all relevant personnel have been briefed regarding this subject.

Thank you for your cooperation.

Enclosures



Special Service Campaign (SSC) Q&A Certain 2000 and 2001 Model Year Toyota Celica Daytime Running Lights (DRL)

Q1: What is the condition?

A1: The Daytime Running Lights (DRL) on certain 2000 and 2001 model year Celica vehicles do not meet certain luminous intensity requirements of the DRL, given the spacing between the DRL and the turn signal lamps.

In September, 2001, Toyota filed a Non-Compliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA). A Pre-Delivery Activity (SSC 10J) was conducted on vehicles that remained in new vehicle inventory at the time as required by regulation. Toyota petitioned the NHTSA for an Inconsequential Non-Compliance exemption for vehicles that were already sold. The NHTSA has denied Toyota's petition and instructed us to conduct an SSC within the next few months.

Q2: What is the cause of this condition?

A2: Due to a design error, the DRL on certain 2000 and 2001 model year Celica vehicles operates at high illumination during vehicle operation. At this high illumination level, the Celica does not meet certain luminous intensity requirements.

Q3: Which and how many vehicles are involved?

A3: There are approximately 92,500 Celica (2000 and 2001 model year) vehicles involved in the U.S.

Q4: What is the production period of the affected vehicles?

A4: The affected Toyota Celica vehicles were produced from May, 1999 to mid-June, 2001.

Q5: Are there any other Toyota or Lexus vehicles involved?

A5: No, this specific condition does not affect any other Toyota or Lexus model.

Q7: Have there been any accidents reported?

A7: There have been no reported cases of accidents related to this condition.

Q8: What is Toyota going to do?

A8: Owners of the involved vehicles will receive a Special Service Campaign notification by first class mail in early 2005. Toyota dealers will install a special resistor to the DRL to reduce the luminous intensity to comply with Federal Regulations at **NO COST** to the vehicle owners.

Q9: How long will the repair take?

A9: The repair will take approximately one hour. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q10: What should an owner do if they experience the condition?

A10: Owners are requested to contact their local Toyota dealer for diagnosis and repair.

Steve Brand/ TMS Customer Services Division November 29, 2004 Approved By: David Zellers

To:

All Toyota Dealers

From:

Toyota Customer Services

Certain 2000 and 2001 Model Year Celica Daytime Running Lamps (DRL)

*******URGENT******

Due to a design error, the DRL on certain 2000 and 2001 model year Celica vehicles operate at high illumination during vehicle operation. At this high illumination level, the Celica does not meet certain luminous intensity requirements.

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This new SSC will involve the installation of a resistor for the DRL system. A dealer package including technical instructions and reimbursement procedures will be mailed to dealers in early 2005. Owner notifications will follow shortly thereafter.

The following Q&A has been provided for your reference. All media inquiries should be directed to Julie Alfonso at (310) 468-4625, Sam Butto at (310) 468-7728 or Allison Takahashi at (310) 468-5315 in Toyota Corporate Communications.

Please contact your District Service/Parts Manager if you have any further questions.

Special Service Campaign (SSC) Q&A Certain 2000 and 2001 Model Year Toyota Celica Daytime Running Lamps (DRL)

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A9: The repair will take approximately one hour. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

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A10: Owners are requested to contact their local Toyota dealer for diagnosis and repair.