



HYUNDAI AMERICA TECHNICAL CENTER, INC.

A Subsidiary of
Hyundai Motor Company (Korea)

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April 14, 2005

Mr. Ronald Medford
Acting Associate Administrator for Enforcement
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington, D.C. 20590

RE: Defect Information Report

Dear Mr. Medford:

Pursuant to Part 573 of Title 49 of the Code of Federal Regulations, Hyundai Motor Company is submitting information concerning a recall that is being voluntarily initiated. Specific information as required by Section 573.6 is as follows:

573.6(c)(1)

Manufacturer - Hyundai Motor Company

Distributor - Hyundai Motor America

573.6(c)(2)

Certain model year 2005 Hyundai Elantra and Tiburon vehicles produced beginning February 22, 2005 through March 27, 2005.

573.6(c)(3)

Approximately 150 model year 2005 Hyundai Elantra and 111 model year 2005 Tiburon vehicles produced beginning February 22, 2005 through March 27, 2005.

573.6(c)(4)

All vehicles identified in 573.6(c)(3) may contain the defect.

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573.6(c)(5)

The threaded portion of the steering gearbox assembly's left and right inner ball joint assemblies serves as a screw type attachment to the left and right tie rod end assemblies.

Some vehicles identified in 573.6(c)(3) above may have been manufactured with threaded portions of the steering gearbox assembly's left and right inner ball joint assemblies that contain internal cracks in the material structure.

If the threaded portion of a steering gearbox assembly's inner ball joint assembly was to break as a result of the internal crack, the tie rod end assembly would no longer be attached to the steering gear box. This would prevent steering control of that front wheel by the separated tie rod.

573.6(c)(6)

Hyundai Motor Company became aware of this condition in late March during toe-in adjustment procedures on the assembly line. X-ray inspection of all parts was initiated at the supplier on March 27, 2005 and will be continued until it can be ensured that no potentially cracked steering gearbox assembly inner ball joint assemblies may be installed during vehicle assembly.

Hyundai Motor Company has decided to conduct a recall in the United States to replace the steering gearbox assemblies installed on vehicles identified in 573.6(c)(3) above. In April 2005, Hyundai Motor Company provided notice to the United States distributor of Hyundai automobiles that it intended to conduct a recall to correct this condition. Hyundai is not aware of any vehicles that have experienced this condition in the field. Hyundai is not aware of any accidents or injuries related to this condition.

573.6(c)(8)

All owners of record of the affected vehicles will be contacted by telephone and instructed not to drive their vehicles. Hyundai will arrange to pick up their vehicles and return these vehicles to Hyundai dealers. Hyundai dealers will replace the steering gearbox assemblies of all of these vehicles. The owner notification process was begun on April 8, 2005.

Dealers were instructed on April 8, 2005 and again on April 13, 2005 to not deliver any vehicles identified in 573.6(c)(3) above until the steering gearbox assemblies have been replaced. Replacing the steering gearbox assemblies containing cracked inner ball joint assemblies of all vehicles affected by this recall would have been covered for 5 years or 60,000 miles under Hyundai's new vehicle limited warranty. As no owners of these 2005 model year vehicles would have incurred expenses for this warranted repair as a result of this condition, Hyundai believes that it is not necessary, and should not be required, to provide notification regarding reimbursement under section 577.11.

HYUNDAI AMERICA TECHNICAL CENTER, INC.

573.6(c)(9)

The Technical Service Bulletin containing the service procedure for replacing the steering gearbox assemblies will be provided to NHTSA when available. Other relevant communications will also be forwarded when they are available.

573.6(c)(10)

As only 8 Elantra and 4 Tiburon vehicles reached customers and 4 Elantra vehicles reached a fleet owner, owner notification is being conducted telephonically to assure timely notice. All affected customer owned vehicles will be returned to dealers. The 4 fleet vehicles have been returned to Hyundai from the fleet operator. The dealers in control of the other 138 Elantra vehicles and 107 Tiburon vehicles were also notified telephonically and by electronic communications to assure timely notice.

573.6(c)(11)

Hyundai has assigned "Campaign 069" as the designation for the campaign.

Sincerely,



Robert Babcock
Manager, Corporate Affairs

Attachments: 2

TO: All Hyundai Dealership General Managers, Sales Managers,
Service Managers, Parts Managers, and Warranty
Administrators
FROM: Hyundai Motor America
SUBJECT: Campaign 069 - 2005 MY Elantra and Tiburon - Steering Tie
Rod Threaded Attachment Campaign

NO IN-STOCK VEHICLES AFFECTED BY CAMPAIGN 069 MAY BE DELIVERED TO CUSTOMERS OR USED IN DEALER SERVICE, SUCH AS FOR SERVICE LOANER CARS, UNTIL THE WORK REQUIRED BY CAMPAIGN 069 HAS BEEN COMPLETED.

On April 8, 2005 Hyundai Motor America initially notified all dealers that Hyundai has identified a potential problem with the steering system (tie rod) in a small number of 2005 Elantras and Tiburons and that Hyundai would like to inspect, and, if necessary, repair the vehicles as soon as possible. The message also stated that you will be contacted by your District Sales Manager (DSM) or other Hyundai representatives about which vehicles are affected.

Only model year 2005 Hyundai Elantra and Tiburon vehicles produced beginning February 22, 2005 through March 27, 2005 are affected.

In order to identify only those vehicles affected by Campaign 069, it will be necessary to access Hyundai Motor America's "Warranty Vehicle Information" screen via DCS Interactive or DCS On-line. The "Warranty Vehicle Information" screen will identify affected vehicles with an open Campaign 069.

In the near future, a Technical Service Bulletin and other information will be forwarded to you, providing instructions on how to perform the necessary work related to campaign 069.

Once again, NO IN - STOCK VEHICLES AFFECTED BY CAMPAIGN 069 MAY BE DELIVERED TO CUSTOMERS OR USED IN DEALER SERVICE, SUCH AS FOR SERVICE LOANER CARS, UNTIL THE WORK REQUIRED BY CAMPAIGN 069 HAS BEEN COMPLETED.

Hyundai is currently reviewing retail delivery records and will notify all affected owners about campaign 069.

LEGAL LIABILITY NOTICE: You are required to keep confidential any and all information and documents provided to you by Hyundai Motor America in the conduct of carrying out work for this service campaign. Hyundai Motor America dealers may use owner information provided for the campaign only for the purpose of conducting and performing this service campaign, and for no other purpose.

Hyundai appreciates your cooperation and support. Questions may be directed to your District Parts and Service Manager.

//END

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To: HYUNDAI DEALER PRINCIPAL / GENERAL / SALES / SERVICE MANAGER
From: BRIAN O'MALLEY - NATIONAL MANAGER, SALES OPERATIONS
Date: 4/08/05
Subject: TIE ROD CAMPAIGN

HYUNDAI HAS IDENTIFIED A POTENTIAL PROBLEM WITH THE STEERING SYSTEM (TIE ROD) IN A SMALL NUMBER OF 2005 ELANTRAS/TIBURON. HYUNDAI WOULD LIKE TO INSPECT, AND IF NECESSARY REPAIR THE VEHICLES AS SOON AS POSSIBLE. YOU WILL BE CONTACTED BY YOUR DISTRICT SALES MANAGER OR OTHER HYUNDAI REPRESENTATIVES ABOUT WHICH VEHICLES ARE AFFECTED.