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OFFICE OF DEFECTS
INVESTIGATION/RMD

07V-030
(8 pages)

Safety Defect and Noncompliance Report Guide for Vehicles
PART 573 Defect and Noncompliance Responsibility and Reports[1]

On January 12 , 2007, Gulf States Toyota inc. (GST) [MFR] decided that (a defect which relates to motor vehicle safety)(a noncompliance with Federal Motor Vehicle Safety Standard No. _____) exits in the motor vehicles listed below, and is furnishing notification to the National Highway Traffic Safety Administration in accordance with 49 CFR Part 573 Defect and Noncompliance Responsibility and Reports.

Date this report was prepared: January 25, 2007

Furnish the manufacturer's identification code for this recall (if applicable): P701

1. Identify the full corporate name of the fabricating manufacturer of the vehicle being recalled. If the recalled vehicle is imported, provide the name and mailing address of the designated agent as prescribed by 49 U.S.C. §30164.

Gulf States Toyota Inc. (GST)
7701 Wilshire Place Dr
Houston, Texas 77040

Identify the corporate official, by name and title, whom the agency should contact with respect to this recall.

James Eledge
Manager, Warranty Operations

Telephone Number: 713-580-3473 **Fax No.:** 713-580-5685

Name and Title of Person who prepared this report.

James Eledge
Manager, Warranty Operations

[1] Each manufacturer must furnish a report, to the Associate Administrator for Enforcement, for each defect or noncompliance condition which relates to motor vehicle safety.

This guide was developed from 49 CFR Part 573, "Defect and Noncompliance Responsibility and Reports" and also outlines information currently requested. Any questions, please consult the complete Part 573 or contact Mr. George Person at (202) 366-5210 or by FAX at (202) 366-7882.

I. Identify the Vehicle Models Involved in the Recall

2. Identify the Vehicles Involved in the Recall, *for each make and model or applicable vehicle line (provide illustrations or photographs as necessary to describe the vehicle), provide*:

Make(s): Scion **Model Years Involved**: 2006-2007 **Model(s)**: Xa and Xb

Production Dates: **Beginning**: 9-1-06 **Ending**: 1-16-2007

VIN Range: **Beginning**: TBD **Ending**: TBD

Vehicle Type: Car & SUV **Bodystyle**: Coupe and SUV respectively

Descriptive information which characterizes/distinguishes the recalled vehicles from those model vehicles not included in the recall:
The recalled vehicle(s) have a GST port installed accessory (SC) speed control installed.

Make(s): _____ **Model Years Involved**: _____ **Model(s)**: _____

Production Dates: **Beginning**: _____ **Ending**:

VIN Range: **Beginning**: _____ **Ending**: _____

Vehicle Type: _____ **Bodystyle**: _____

Descriptive information which characterizes/distinguishes the recalled vehicles from those model vehicles not included in the recall:
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Make(s): _____ **Model Years Involved**: _____ **Model(s)**: _____

Production Dates: **Beginning**: _____ **Ending**:

VIN Range: **Beginning**: _____ **Ending**: _____

Vehicle Type: _____ **Bodystyle**: _____

Descriptive information which characterizes/distinguishes the recalled vehicles from those model vehicles not included in the recall:

Identify the approximate percentage of the production of all the recalled models manufactured by your company between the inclusive dates of manufacture provided above, that the recalled model population represents. For example, if the recall involved Widgets equipped with certain items of equipment from January 1, 1996 through April 1, 1997, then what was the percentage of the recalled Widgets of all Widgets manufactured during that time period.
21.2%

II. Identify the Recall Population

3. Furnish the total number of vehicles recalled potentially containing the defect or noncompliance.

Model	Year	Number of Vehicles Potentially Involved
Scion Xa & Xb (split)	2006-2007	1372

Total Number Potentially Affected by the Recall: 1372

4. Furnish the approximate percentage of the total number of vehicles estimated to actually contain the defect or noncompliance: 0.019%

Identify and describe how the recall population was determined--in particular how the recalled models were selected and the basis for the beginning and final dates of manufacture of the recalled vehicles:

The population was determined based on the part manufacturer's clutch lot receipt and usage dates, and quarantine date of defective component. This was compared against shipments to GST and their installation dates, and production usage.

III. Describe the Defect or Noncompliance

5. Describe the defect or noncompliance. The description should address the nature and physical location of the defect or noncompliance. Illustrations should be provided as appropriate.

Residual magnetism of electro-magnetic clutch in cruise control module retains some magnetism when turned off. In the defective parts, the force generated by this residual magnetism is larger than the force of the throttle return

Describe the cause(s) of the defect or noncompliance condition.

Variation in metallurgy and process history of steel used to produce the clutch assembly affects the residual magnetism of the clutch assembly. In vehicles containing the defect, the level of residual magnetism was higher that in the past.

Describe the consequence(s) of the defect or noncompliance condition.

If the residual magnetism force is greater than throttle return force, when the cruise control is engaged and the ON/Off switch is pressed once, the throttle may not return to idle. When the ON/Off switch is depressed a second time, the throttle will return to idle.

Identify any warning which can (a) precede or (b) occur.

Slow release of throttle when the cruise control is turned off.

If the defect or noncompliance is in a component or assembly purchased from a supplier, identify the supplier by corporate name and address.

Rostra Precision Controls, Inc.

2519 Dana Dr.
Laurinburg, NC. 28352

Identify the name and title of the chief executive officer or knowledgeable representative of the supplier:
Ray Ford
President

IV. Provide the Chronology in Determining the Defect/Noncompliance

If the recall is for a defect, complete item 6, otherwise item 7.

6. With respect to a defect, furnish a chronological summary (including dates) of all the principle events that were the basis for the determination of the defect. The summary should include, but not be limited to, the number of reports, accidents, injuries, fatalities, and warranty claims.

1/2/07 Rostra was informed by Gulf States Toyota ("GST") of a warranty claim on a Rostra cruise control unit which had been installed by GST. The claim was that the cruise control did not release when the brake was applied.

1/4/07 Rostra was informed by Southeast Toyota ("SET") that a Rostra cruise control unit tested by SET on their dynamometer installation verification test was found to be sticking.

1/5/07 Rostra found that the cruise control unit which had been returned by GST functioned properly with a brake release (i.e., when the unit was "on" and the brake was depressed). Rostra and GST jointly decided that GST would install the unit in a vehicle at GST.

1/9/07GST installed the unit described above and found that, while the unit would release from normal operation when the brake was depressed, it did not do so when the cruise control was turned off (i.e., if the "On/Off" switch was pressed before the brake was depressed).

1/10/07 Rostra measured the units returned by GST and SET and determined that the residual magnetism force was greater than the design intent.

1/12/07 Rostra reviewed the following summary: 1 confirmed dynamometer failure (the SET unit described above), 2 reported but not confirmed dynamometer failures, 1 confirmed warranty return (the GST unit described above), 1 unconfirmed warranty claim with similar symptoms, and preliminary data pointing to excessive residual magnetism on multiple clutches. Rostra concluded that a defect exists and will be reported.

7. With respect to a noncompliance, identify and provide the test results or other data (in chronological order and including dates) on which the noncompliance was determined.

N/A

V. Identify the Remedy

8. A description of the manufacturer's program for remedying the defect or noncompliance. This program shall include a plan for reimbursing an owner or purchaser who incurred costs to obtain a remedy for the problem addressed by the recall within a reasonable time in advance of the manufacturer's notification of owners, purchasers and dealers, in accordance with §573.13 of this part. A manufacturer's plan may incorporate by reference a general reimbursement plan it previously submitted to NHTSA, together with information specific to the individual recall. Information required by §573.13 that is not in a general reimbursement plan shall be submitted in the manufacturer's report to NHTSA under this section. If a manufacturer submits one or more general reimbursement plans, the manufacturer shall update each plan every two years, in accordance with §573.13. The manufacturer's remedy program and reimbursement plans will be available for inspection by the public at NHTSA headquarters.

GST will inspect and/or replace (if needed) the recalled part on the vehicle at no charge to the customer. Customers will be notified via recall mailing pending NHTSA approval of the customer letter.

9. Furnish a description of the manufacturer's remedy for the defect or noncompliance. Clearly describe the differences between the recall condition and the remedy.

Replace cruise control modules with units that have been verified to have acceptable residual magnetism forces.

Clearly describe the distinguishing characteristics of the remedy component/assembly versus the recalled component/assembly.

Date code of assembled cruise control module that contains the electro-magnetic clutch.

Identify and describe how and when the recall condition was corrected in production. If the production remedy was identical to the recall remedy in the field, so state. If the product was discontinued, so state.

A process improvement was implemented 1/16/07 to check 100% of the residual magnetic force of the module. Any module that does not meet the requirement is rejected

VI. Identify the Recall Schedule

10. Furnish a schedule or agenda (with specific dates) for notification to other manufacturers, dealers/retailers, and purchasers. Please, identify any foreseeable problems with implementing the recall.

TBD

VII. Furnish Recall Communications

11. Furnish a final copy of all notices, bulletins, and other communications that relate directly to the defect or noncompliance and which are sent to more than one manufacturer, distributor, or purchaser. This includes all communications (including both original and follow-up) concerning this recall from the time your company determines the defect or noncompliance condition on, not just the initial notification. ***A DRAFT copy of the notification documents should be submitted to this office by Fax (202-366-7882) for review prior to mailing.***

Note that these documents are to be submitted separately from those provided in accordance with Part 579.5 requirements.