

09V-125
(7 Pages)



April 14, 2009

Mr. Daniel Smith
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
1200 New Jersey Avenue, SE
Washington, D.C. 20590

RECEIVED
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OFFICE OF THE DIRECTOR
NHTSA

RE: Defect Information Report

Dear Mr. Smith:

Pursuant to Part 573 of Title 49 of the Code of Federal Regulations, Hyundai America Technical Center 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)

Model year 2001, 2002 and 2003 Hyundai Elantra vehicles produced beginning on June 30, 2000 through January 13, 2003 and model year 2003 Hyundai Tiburon vehicles produced beginning on October 26, 2001 through January 13, 2003 that are registered in and operated in the following 20 “salt belt” states and the District of Columbia:

Connecticut, Delaware, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, West Virginia, and Wisconsin, and the District of Columbia.

573.6(c)(3)

Approximately 60,559 model year 2001, approximately 62,868 model year 2002, and approximately 31,890 model year 2003 Hyundai Elantras and approximately 15,293 model year 2003 Tiburons.

Hyundai-Kia America Technical Center Inc.
6800 Geddes Road, Superior Township, MI 48198
TEL: 734-337-9499 FAX: 734-483-5919

Hyundai-Kia America Technical Center, Inc

Note: These figures are the quantities originally sold in the 20 affected states and the District of Columbia. The quantities of affected vehicles in operation in those states will be developed from state motor vehicle registration records prior to owner notification.

573.6(c)(4)

All of the vehicles identified above in 573.6(c)(2) are potentially affected.

573.6(c)(5)

During winter months, large quantities of salt are used to de-ice roads in the affected states, noted above in response to 573.6(c)(2). Road salt can collect in the outboard portion of the front lower control arm and may result in internal corrosion leading to thinning of the steel in the lower control arms. In severe cases, the corrosion may progress to the point where the lower control arm's upper and lower panels become perforated. A perforated front lower control arm may fracture between its ball joint attachment and the forward and rearward pivot attachments to the chassis. This could affect the driver's control over the tire and wheel assembly.

This condition may occur on 2001 through some 2003 model year Elantra vehicles produced through January 13, 2003 and some 2003 model year Tiburon vehicles produced through January 13, 2003 as a result of exposure to heavy concentrations of road salt for extended periods of time.

573.6(c)(6)

After evaluating the 2001 through January 13, 2003 production Elantra front lower control arm corrosion condition and to conclude NHTSA's inquiry PE09-011, Hyundai has decided to conduct a recall campaign of all 2001 through January 13, 2003 production Elantra vehicles that are registered and operated in the salt belt states noted above, in response to 573.6(c)(2). Hyundai has also decided to include all 2003 model year Tiburon vehicles produced through January 13, 2003, which contain similar front lower control arms, that are registered and operated in the salt belt states noted above, in response to 573.6(c)(2). Hyundai is not aware of any accidents or injuries related to front lower control arm corrosion on the affected vehicles.

573.6(c)(8)

All owners of record of affected vehicles will be contacted by first class mail and instructed to bring their vehicles to Hyundai dealers to have the front lower control arms inspected for corrosion damage. Dealers will measure the thickness of the steel in the front lower control arms. If specified levels of corrosion damage have occurred, the front lower control arms will be replaced with new front lower control arms with additional holes in the upper and lower panels. Front lower control arms that do not require replacement will have drainage holes added and will be treated with rust-proofing material to arrest the corrosion process. Inspection, treatment and replacement procedures will be conducted at no cost to owners.

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Hyundai will additionally inspect the vehicle for other visible areas of corrosion. In particular, dealers will be instructed to inspect the front subframe. As a precautionary measure, and to improve drainage in the subframe, dealers will add drainage holes and treat the front subframe with rust-proofing material. If specified levels of corrosion are found, dealers will be instructed to replace the front subframe. This additional inspection and treatment will be conducted at no cost to owners.

Hyundai anticipates that owners will be notified beginning during the second quarter of 2009, after a sufficient quantity of replacement lower control arms have become available to allow notifications to begin.

In accordance with the requirements of Part 573.13, Hyundai will provide for reimbursement to vehicle owners eligible for pre-notification remedies as follows:

573.13(c)(1) Reimbursement Period Beginning Date:

(iii) April 14, 2008, which is one year prior to the date of this Part 573 notice to NHTSA.

573.13(c)(2) Reimbursement Period Ending Date:

(i) Ten calendar days after the last owner notification has been mailed. This date will be determined based upon the actual final owner notification date and NHTSA will be provided with that date when it becomes available.

573.13(d) Reimbursement Conditions:

(1) Reimbursement is excluded for costs incurred within the period during which Hyundai's original or extended warranty (where Hyundai provided written notice of the terms of the extended warranty to owners) would have provided for a free repair of the condition addressed by the recall, without any payment by the consumer, unless a franchised dealer or authorized representative of Hyundai denied warranty coverage or the repair made under warranty did not remedy the problem addressed by the recall.

(2)(i)(A) Reimbursement is excluded if the pre-notification remedy was not of the same type, repair or replacement of the front lower control arm(s), as the recall remedy.

(2)(i)(B) Reimbursement is excluded if the pre-notification remedy did not address corrosion of the front lower control arm(s).

(2)(i)(C) Reimbursement is excluded if the pre-notification remedy was not reasonably necessary to correct the corrosion of the front lower control arm(s) condition.

(2)(ii) It is not required that the pre-notification remedy be identical to the remedy elected by Hyundai as described in this Part 573 notice to NHTSA.

(4) Reimbursement is excluded if the claimant does not submit adequate documentation to Hyundai at an address or location designated pursuant to § 573.13(f). The plan requires that the following documentation be submitted:

(i) Name and mailing address of the claimant;

(Hyundai also requests that claimants provide telephone numbers at their option.)

(ii) Identification of the product that was recalled:

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Make, model, model year, and vehicle identification number

(iii) Identification of the recall (Hyundai's recall number);

(iv) Identification of the owner or purchaser of the recalled motor vehicle at the time that the pre-notification remedy was obtained;

(v) A receipt for the pre-notification remedy, which may be an original or copy:

(A) If the reimbursement sought is for a repair, Hyundai requires that the receipt indicate that the repair addressed corrosion of the front lower control arm(s), and state the total amount paid for the repair of that condition. Itemization of a receipt of the amount for parts, labor, other costs and taxes, may not be required unless it is unclear on the face of the receipt that the repair for which reimbursement is sought addressed only the pre-notification remedy relating to the corrosion of the front lower control arm(s).

(B) If the reimbursement sought is for the replacement of a vehicle part, Hyundai requires that the receipt identify the item and state the total amount paid to replace the front lower control arm(s).

(Hyundai also requests that the name, address and telephone number of the repair facility or seller of the replacement front lower control arm(s) be provided on the receipt, and that the receipt be marked "Paid in Full" or that a cancelled check or credit card receipt be provided.)

(vii) If the pre-notification remedy was obtained at a time when the vehicle or equipment could have been repaired or replaced at no charge under a Hyundai original or extended warranty program, documentation indicating that Hyundai's dealer or authorized facility either refused to remedy the problem addressed by the recall under the warranty or that the warranty repair did not correct the problem addressed by the recall.

573.13(e) Amount of Costs to Be Reimbursed:

(1)(i) The amount of reimbursement shall not be less than the lesser of:

(A) The amount paid by the owner for the remedy, or

(B) The cost of parts for the remedy, plus associated labor at local labor rates, miscellaneous fees such as disposal of waste, and taxes. Costs for parts may be limited to Hyundai's list retail price for authorized parts.

(1)(ii) Any associated costs, including, but not limited to, taxes or disposal of wastes, may not be limited.

573.13(f) Address and Authorized Facility for Reimbursement Claim Submittal

ATTN: Consumer Affairs Department (091)

Hyundai Motor America

PO Box 20850

Fountain Valley, CA 92728-0850

Hyundai-Kia America Technical Center, Inc

573.13(g) Hyundai Response to Request for Reimbursement

(1) Hyundai shall act upon a claim for reimbursement within 60 days of its receipt. If Hyundai denies the claim, Hyundai must send a notice to the claimant within 60 days of receipt of the claim that includes a clear, concise statement of the reasons for the denial.

(2) If a claim for reimbursement is incomplete when originally submitted, Hyundai shall advise the claimant within 60 days of receipt of the claim of the documentation that is needed and offer an opportunity to resubmit the claim with complete documentation.

573.13(h) Reimbursement Form

Reimbursement shall be in the form of a check.

573.13(i) Reimbursement Plan Availability to the Public

This reimbursement plan is available to the public upon request.

573.6(c)(10)

The Technical Service Bulletin containing the service procedure for inspecting the front lower control arms and replacing or repairing the lower control arms will be provided to NHTSA when available. The TSB will also include the additional inspection and treatment to the front subframe. Other relevant communications will also be forwarded when they are available.

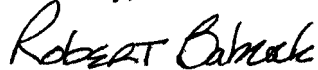
573.6(c)(11)

A draft of the owner notification letter is attached.

573.6(c)(12)

Hyundai has assigned "Campaign 091" as the designation for this campaign.

Sincerely,



Robert Babcock

Senior Manager, Regulation and Certification Department

Attachment

DRAFT MOTOR VEHICLE RECALL

Dear 2001-2003 Elantra or 2003 Tiburon Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act.

Hyundai has decided that a defect, which relates to motor vehicle safety, exists in certain model year 2001 through 2003 Hyundai Elantra vehicles that were produced during the period beginning June 30, 2000 through January 13, 2003 and which are registered in and operated in Connecticut, Delaware, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, West Virginia, and Wisconsin, and the District of Columbia (the Salt Belt).

Federal law requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days.

What is the problem?

- During winter months, large quantities of salt are used to de-ice roads in the Salt Belt states, noted above. Road salt may result in internal corrosion and thinning of the steel in the front lower control arms. In severe cases, the corrosion may progress to the point where the lower control arm's upper and lower panels become perforated. A perforated front lower control arm may fracture between its ball joint attachment and the forward and rearward pivot attachments to the chassis. This could affect your control over the tire and wheel assembly.

Reduced control of the front wheel direction may increase the risk of a vehicle crash without warning.

What will Hyundai do?

- We are asking you to schedule an appointment as soon as possible to take your vehicle to your Hyundai dealer. The Hyundai dealer will inspect the front lower control arms for corrosion damage. If specified levels of internal corrosion damage are found, the front lower control arms will be replaced with new front lower control arms incorporating additional holes in the upper and lower panels. If your front lower control arms do not require replacement, the dealer will add drainage holes to the front lower control arms and will treat the front lower control arms with rust-proofing material to arrest the internal corrosion process.

In addition to treating the front lower control arms, the Hyundai dealer will inspect the front subframe of your vehicle for signs of corrosion that could potentially progress and ultimately affect vehicle performance. This additional inspection is a precautionary measure to offer improved drainage in the front subframe. If the dealer finds a specified level of corrosion damage, the dealer will replace the front subframe. Otherwise, the dealer will treat the front subframe with rust-proofing materials and add drainage holes.

DRAFT MOTOR VEHICLE RECALL

Both procedures will be performed at no charge to you. You should plan to leave your vehicle at your Hyundai dealer to have this service performed. Repair times will vary and depend on your dealer's appointment schedule.

What should you do?

- We urge you to call your Hyundai dealer to schedule an appointment to have this work performed as soon as possible.

What if you have other questions?

- If you have any difficulty having this repair performed, we recommend that you call the Hyundai Customer Assistance Center at 1-800-633-5151. If you are still not satisfied that we have remedied this situation without charge, and within a reasonable amount of time, you may wish to write to the Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, SE, Washington, D.C. 20590, or call their toll-free Vehicle Safety Hotline at 1-888-327-4236 (TTY: 1-800-424-9153), or go to <http://www.safercar.gov>.

Reimbursement Notification

- Hyundai has a program for reimbursing owners of 2001 through 2003 Elantras and 2003 Tiburons produced through January 13, 2003 who paid to have the front lower control arms replaced after April 14, 2008 and prior to receiving this recall notification letter.

To obtain information about reimbursement from Hyundai, please call the Hyundai Customer Assistance Center at 1-800-633-5151. Ask about reimbursement information for campaign 091.

We urge your prompt attention to this important safety matter.

Hyundai Motor America