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By Recall Mgt Div. at 8:19 am, Jul 20, 2010

10V-326  
(4 pages)



**SUBARU**

POB 6000  
Cherry Hill, NJ 08034-6000

Maurice Arcangeli  
Director  
Government Relations  
Direct Dial: (856) 488-3115  
Fax: (856) 488-8669  
E-mail: [marcangeli@subaru.com](mailto:marcangeli@subaru.com)

July 15, 2010  
Ref. No.: GR10-20

Mr. Daniel C. Smith  
Associate Administrator for Enforcement, NVS-200  
National Highway Traffic Safety Administration  
Room W 45-306  
1200 New Jersey Ave. SE  
Washington, DC 20590

**RE: Part 573 Defect Information Report – Improper Processing of 6-Speed Manual Transmission Transfer Case on 2010 and 2011MY Subaru Legacy & Outback**

Dear Mr. Smith,

In accordance with 49 CFR Part 573 Defect and Noncompliance Responsibility and Reports, Fuji Heavy Industries USA, Inc. on behalf of Subaru of America, Inc. and Fuji Heavy Industries, Ltd., submits the enclosed notification and report concerning a defect in the transfer case of 6-speed manual transmissions on certain 2010 and 2011 model year Subaru Legacy and Outback vehicles sold in the United States. Our internal designation for this recall campaign will be: WVS-29.

If you have any questions on the enclosed report, please contact me.

Sincerely,

Fuji Heavy Industries USA, Inc.

A handwritten signature in black ink, appearing to read "Maurice Arcangeli".

Maurice Arcangeli, Director  
Government Relations

Enclosure

cc: Fuji Heavy Industries, Ltd. (Japan)  
Subaru of America, Inc. (Cherry Hill, NJ)

**Defect Information Report (49 CFR Part 573.6)**

**573.6(c)(1) - Manufacturer's Name**

Vehicle Fabricating Manufacturers:

Fuji Heavy Industries, Ltd. ["FHI"]  
1-7-2 Nishi-Shinjuku  
Shinjuku-ku  
Tokyo 160-8316, Japan

Subaru of Indiana Automotive, Inc. ["SIA"]  
5500 State Road 38 East  
Lafayette, Indiana 47903

Designated U.S. Agency:

Fuji Heavy Industries USA, Inc.  
2235 Rt. 70 West  
Cherry Hill, NJ 08002

**573.6(c)(2)(i) - Identification of Vehicles Containing the Defect**

Based on vehicle production records, we have determined from production dates that the recall affected passenger car population is as follows:

Make:	Subaru
Model Year(s):	2010 and 2011
Model(s):	Legacy & Outback Vehicles
Production Dates:	April 28, 2010 through June 23, 2010
VIN Ranges: (Last 8 Digits)	2010 Legacy: A1246804 – A1247399 2010 Outback: A1382973 – A1384758 2011 Legacy: B1212324 – B1214305 2011 Outback: B1310402 – B1324567

Note 1: Although the involved vehicles are within the above VIN ranges, not all vehicles in these ranges are affected or offered for sale in the U.S.

**573.6(c)(3) - Total Number of Vehicles Potentially Containing the Defect**

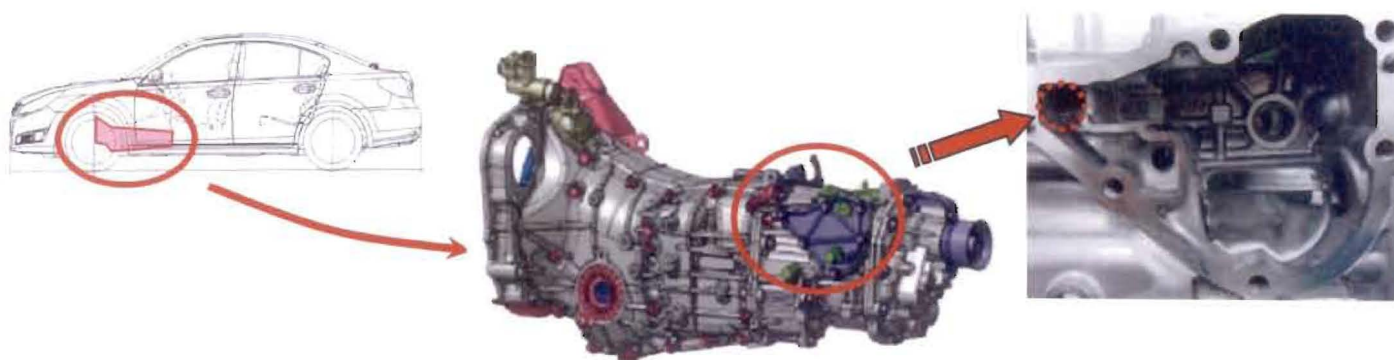
<u>Model</u>	<u>Year</u>	<u>Number of Vehicles Potentially Involved</u>
Legacy/Outback	2010	69
Legacy/Outback	2011	740
	TOTAL	809

**573.6(c)(4) - Percentage of Vehicles Estimated to Actually Contain the Defect**

It is not possible to determine an estimated percentage. We have received no technical reports of the problem from any markets, including U.S.A.

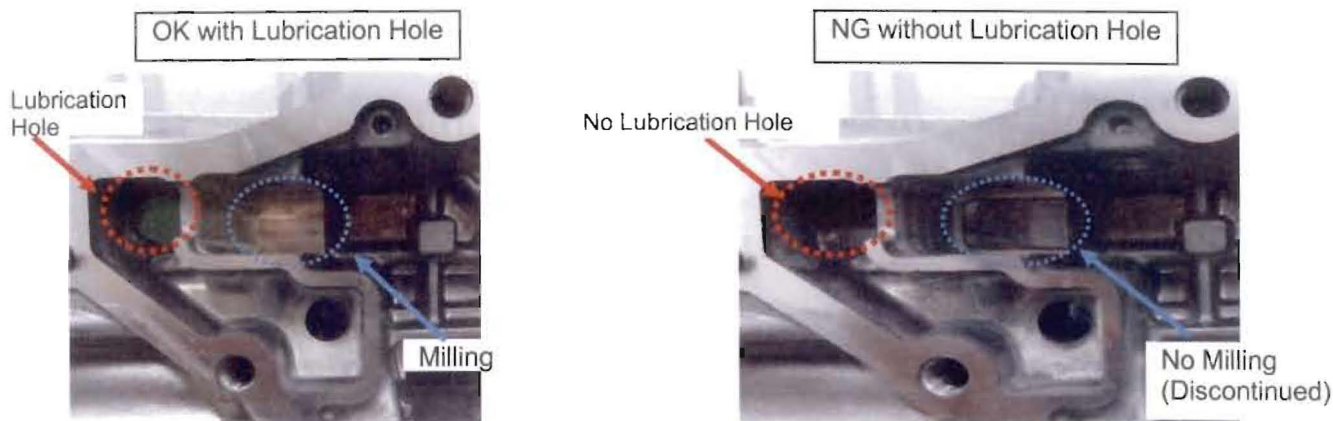
**573.6(c)(5) - Description of the Defect**

It was discovered at the transmission supplier that the lubrication hole within the 6-speed manual transmission transfer case had not been drilled due to a programming error. The parts in production were checked and it was confirmed that there was no lubrication hole in the transfer case.



**(2) Cause of the Defect**

When milling at one area (blue circle) of the transfer case was discontinued in the processing program, processing of the lubrication hole (red circle) was erroneously eliminated at the same time.



**573.6(c)(6) - Chronology of Principal Events**

June 23, 2010: It was discovered at the supplier that the oil lubrication hole within the 6-speed manual transmission (indicated 6MT hereafter) transfer case had not been drilled due to a programming error. The parts in production were checked and it was confirmed that there was no lubrication hole in the transfer case.

June 24, 2010: FHI added a processing program to include the oil lubrication hole in the transfer case to correct production vehicles.

June 28, 2010: FHI started to investigate the influence and severity of the problem and started durability bench tests of the 6MT 3<sup>rd</sup> gear without a lubrication hole being drilled.

July 5, 2010: FHI confirmed that the 3<sup>rd</sup> gears were broken after the 60,000 km (37,500 miles) durability tests.

July 6, through July 8, 2010: FHI conducted additional tests without the lubrication hole for a distance equivalent to 10,000 km or 6,250 miles. It was then driven for 190,000 km or 118,750 miles after the lubrication hole was drilled. No abnormality was observed in either test after the transmission was disassembled and inspected.

Late July 9, 2010: FHI confirmed that the problem was a safety related issue and decided to conduct a recall campaign.

**573.6(c)(8) - Description of the Manufacturer's Remedy Program**

(i)

The remedy plan calls for dealers to drill an oil lubrication hole in the 6MT transfer case and, if necessary, to replace the internal parts with new ones.

(ii)

Subaru of America, Inc. expects to notify U.S. dealers on July 16, 2010 and provide complete repair instructions shortly thereafter. Owner notices are expected to be mailed on or before August 6, 2010.

**573.6(c)(10) - Submission of Recall Communications**

Fuji Heavy Industries USA, Inc. will provide copies of all notices, bulletins and other recall related communications within 5 days after their distribution.

**573.6(c)(11) - Manufacturer's Campaign Number**

Our identification code for this recall campaign will be: WVS-29.

**577.5(a) - Submission of Owner Notification Letter**

A copy of the owner notification letter will be submitted to NHTSA's Recall Management Division at least 5 days prior to mailing.