

**Daihatsu 1990-92 Rocky Emission Control Check Valve
Campaign # 10V-083
5th Quarterly Report Information**
Required per 49 CFR Part 573.7

Report Date: July 31, 2011 **Calendar Quarter** 2nd 2011

Safety Recall Quarterly Report from April 1, 2011 **through** June 30, 2011

Manufacturer: Daihatsu Motor Co., Ltd. (DMC: Manufacturer)
No Affiliated U.S. Sales Company

The affected vehicles were imported by the manufacturer's former US importer and distributor, Daihatsu America, Inc. (a former California corporation) which was duly dissolved in Nov. 2003, more than 10 years after the last affected vehicles were imported into the United States in about April 1992.

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(See updated contact information below.)

Recall Subject: 1990-92 Rocky Emission Control Check Valve Campaign

1. NHTSA Safety Recall Campaign Number: 10V-083

Also, for completeness, if your company has assigned a code number to this campaign, please provide your code: Same as NHTSA number above.

2. (a) The date notification to purchasers began: March 31, 2010

(b) The date notification to purchasers was completed: **Domestic U.S.:** May 3, 2010
Puerto Rico: June 3, 2010

(c) A second voluntary notification to registered owners was mailed on October 21, 2010.
(The second voluntary notification included both English and Spanish texts.)

(d) A third and final voluntary notification is planned for September 2011 in a final effort to stimulate an improved owner response.

3. The Total Number of Vehicles Involved: 4,324 units listed on state DMV records

The total number of vehicles involved in the subject campaign (including all units sold or distributed to purchasers, dealers, distributors, and similar entities beyond the immediate control of the manufacturer/importer).

4. (a) Total Number Inspected & Remedied: 555 as of June 30, 2011

Total number of vehicles which were inspected and/or otherwise repaired or remedied.

(b) Total Number Inspected & NOT REQUIRING REMEDY: 0 (See attached Explanation)

Total number of vehicles involved in the recall and inspected, but determined to NOT REQUIRE REMEDIAL or recall repair work.

5. Vehicles Determined to be Unreachable

Total Number Exported: 3 reports

Total Number Stolen: 1 report

Total Number Scrapped: 37 reports

Total Number Unable to Notify: 536 (Notifications returned by U.S. Postal Service)

Total Number Otherwise Unreachable: 6 (See further attached explanation)

Describe Other: DMV ownership registration errors

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SUPPLEMENTAL INFORMATION

Item 4(b): Vehicles Eligible for Remedy

Daihatsu Motor Co., Ltd. has voluntarily decided that all 1990 to 1992 Rocky vehicles located within the United States will be eligible for and included in this Campaign, # 10V-083, even if first sold outside the USA. All vehicles submitted for repair under this Campaign will have the old check valve replaced with a new check valve of improved construction, at no charge to the owner. Therefore the number of vehicles physically inspected and not receiving the remedy will always be zero (-0-).

Item 5: Vehicles Determined to be Unreachable:

According to Department of Motor Vehicle (DMV) records from each state and Puerto Rico, 4,324 Daihatsu Rocky vehicles were registered by their owners as of March 2010. Of those, 536 notification letters (12.4%) have been returned by the US Postal Service as being undeliverable to the addressee, suggesting that many of the DMV records were not actually current registrations. As of 6/30/2011, another 602 notifications generated a response from the addressees, including 555 owners who submitted their Rockys for the Campaign repairs, and forty-seven (47) reports of vehicles being sold, scrapped, stolen, or exported. The remainder, totaling 3,186 notification letters (73.7%) have produced no response whatsoever.

There are several possible reasons for this high rate of non-response, including outdated and erroneous DMV registration records, vehicles abandoned or no longer in service, or no longer in operation on public streets and highways, vehicles already having received the specified repairs or otherwise been remedied, and owners who do not perceive any need or urgency to have the repairs completed. This last category would include owners who no longer use their removable hard or soft tops and thus would never experience an in-cabin accumulation of possibly troublesome fuel vapors from the evaporative-emission recovery system. Given the age of these vehicles—originally sold between 1989 and 1992—it is predictable that ex-owners and other persons receiving the Owner Notification letter and who do not currently use their Rocky vehicles on a regular basis may not be diligent about returning the business reply card to notify Daihatsu of the vehicle’s actual status, disposition or use. In addition, many Rocky owners are technical enthusiasts who are entirely capable of performing repairs to the leaking emission control check valve on their own, without the use of Daihatsu’s improved repair parts.

Neither Daihatsu nor R.L. Polk, the mailing agent for this Campaign, has made a factual determination of vehicle disposition other than as received from the recipients of the Owner Notification letter. However, we have been advised that many DMV records present only the “most recent” registration information and that may not be accurate as of the date

extracted. In some states and some cases, the most recent record may be several years old. Thus, there is reason to believe that many of the apparent registrations are not valid and the total number of units in operation (UIOs) may be grossly overstated.

Taking the UIO figures at face value for these old vehicles, Daihatsu has nonetheless been both surprised and disappointed by the low rate of owner response. However, the usual factors that normally motivate owners to submit their cars for recall repairs are missing here, for the following reasons: (1) the extraordinary age of the vehicles being recalled; (2) a very low perception among current owners of any need or urgency to obtain the repair, especially given the popularity of open-air motoring with the soft and hard tops removed; and (3) the absence of a retail sales or service organization in the United States to perform the repairs, or to manage or monitor the condition of Rocky vehicles in use. While it is possible that some of the 3,186 non-responding registered owners may have taken care of a broken Emission Control Check Valve on their own, possibly years ago, Daihatsu has no way to inspect and monitor the completion of such repairs without the cooperation of each owner.

The absence of response by so many registered owners in the United States is in sharp contrast to response rates in Japan and other market regions where large numbers of Rockys are registered.

In a final effort to improve the U.S. owner response to this recall during the final months of the official Campaign period, Daihatsu is planning in September 2011 to issue a third owner notification letter to all remaining registered owners who have not yet responded. Daihatsu will seek the approval of NHTSA to depart from the customary language of notification letters in an effort to increase the sense of urgency among owners to have this repair performed promptly, even if a vehicle has already been repaired with old or alternative replacement parts.

Although the final reporting period for this recall campaign will end on September 30, 2011 (six complete quarterly reports), in the interest of customer service Daihatsu plans to provide a basic level of continuing support through the Daihatsu Help Desk to provide spare parts and instructions for owners and repair shops who may become motivated to have the repair done at any time through the end of March 2012. Given the very low rate of return, however (now reduced to only a few repairs each month), Daihatsu has not decided how to support any remaining Rocky owners in the months and years after March 2012, given the absence of a retail sales and service organization in the United States.

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