



Scott R. Cordes
Vice President, Chief Legal Counsel

Gulf States Toyota, Inc.
1375 Enclave Parkway
Houston, Texas 77077
Phone: (713) 580-3454
Fax: (713) 580-5608
Email: scordes@gstoyota.com

RECEIVED

By Recall Mangement Division at 8:43 am, Jul 16, 2014

July 15, 2014

*Via email (RMD.ODI@dot.gov) and
Certified Mail/RRR 7013 1090 0000 0710 0812*

Ms. Nancy Lewis
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
Attn: Recall Management Division (NVS-215)
1200 New Jersey Avenue, SE
Washington DC 20590

Re: Defect Information Report

Dear Ms. Lewis:

Attached please find a Defect Information Report submitted pursuant to 49 CFR Part 573 relating to a non-Toyota wheel and lug nut combination installed on certain 2013 -2014 Toyota Tundra vehicles by Gulf States Toyota, Inc.

Sincerely,

Scott R. Cordes
Vice President, Chief Legal Counsel

cc: Jacqueline S. Glassman
Hogan Lovells US LLP
Columbia Square
555 Thirteenth Street, NW
Washington, DC 20004

DEFECT INFORMATION REPORT

Pursuant to 49 CFR Part 573, Gulf States Toyota, Inc. (GST) submits this Defect Information Report:

1. Name of the Vehicle Distributor:

Gulf States Toyota, Inc. is an independent distributor of Toyota vehicles:

Gulf States Toyota, Inc.
1375 Enclave Parkway
Houston, Texas 77077

The supplier of the lug nuts and wheels:

Ultra Wheel Company
586 North Gilbert Street
Fullerton, California 92833

2. Identification of the Vehicles or Items of Motor Vehicle Equipment

Based on production and sales records, GST has determined the affected vehicle population as set forth in Attachment A.

3. Total Number of Vehicles Potentially Containing the Defect

16,249 vehicles are affected.

4. Percentage of Vehicles Estimated to Actually Contain the Defect

Unknown

5. Description of the Defect

GST has determined that for vehicles equipped with a specific combination of non-Toyota 20 inch alloy wheels and chrome plated lug nuts installed by GST as a part of certain vehicle packages, the compression of the coating applied to the lug nuts used to secure the wheel could lessen the clamping force of the wheel over time. When this occurs, a steering vibration may be present or a clunking noise may originate from the area of the wheel. A deformation could develop in the lug nut seating area of the wheel and/or the clamping pressure may become relaxed thereby increasing the risk of the lug nut becoming loose. Over time, the lug nut could detach or fatigue, or the stud could fracture, increasing the risk of a crash. There have been no accidents or injuries reported with regard to this condition, nor have there been any reports of wheel separation.

6. Chronology of Principal Events Leading to the Determination of a Defect

GST began to receive field reports about certain lug nuts not retaining their specified torque value in late June, 2013. Over the course of the next four months, GST received approximately 20 reports of lug nuts that appeared to have relaxed. In four cases, the studs had also broken. But in no case did there appear to be a continuing loosening of the lug nuts or a risk of wheel separation. GST has received four additional reports since October, 2013, the last of which was in March, 2014.

In coordination with the wheel supplier, extensive testing was undertaken to determine whether there was a risk that the lug nuts could continue to relax, or could disengage and lead to wheel separation. Although the testing showed that the lug nuts remain attached, GST sought to confirm the conclusion that the lug nut torque was within acceptable parameters by securing independent testing in October, 2013. The results of that testing concluded that, although relaxed, the torque values remained within acceptable levels.

Intending nevertheless to conduct a service campaign and to improve the product's performance, GST conducted further testing and decided upon a replacement lug nut product. GST was prepared to move forward with a service campaign in June, 2014 and noticed a recent recall from a different manufacturer involving loose lug nuts. Rather than move forward with the planned service campaign, GST reached out to NHTSA's Office of Defect Investigations. Based upon the discussion with ODI, GST has decided that it would be more appropriate to conduct a safety recall to replace the lug nuts with lug nuts that have a friction-control coating on them.

7. Description of the Remedy Program and Pre-Notification Reimbursement Program

The customer will be provided with, at no cost, (20) new replacement lug nuts which will be installed and torqued to specification by the Toyota dealer technician. The customer's wheels will also be inspected visually for any unusual wear in the lug nut seat area. Wheels with unusual wear will also be replaced as may be appropriate at no cost. Because the vehicles remain under warranty, no customer reimbursement should be necessary.

8. Recall Schedule

GST anticipates beginning customer notifications in August, 2014 to be completed in September, 2014. Dealer notification of the affected vehicles will be provided as they are issued.

9. Copy of Customer and Dealer Notifications

GST's draft Customer Notification is being provided for the agency's review and approval. Dealer communications are also provided.

10. Recall Number

The campaign number will be provided when assigned.