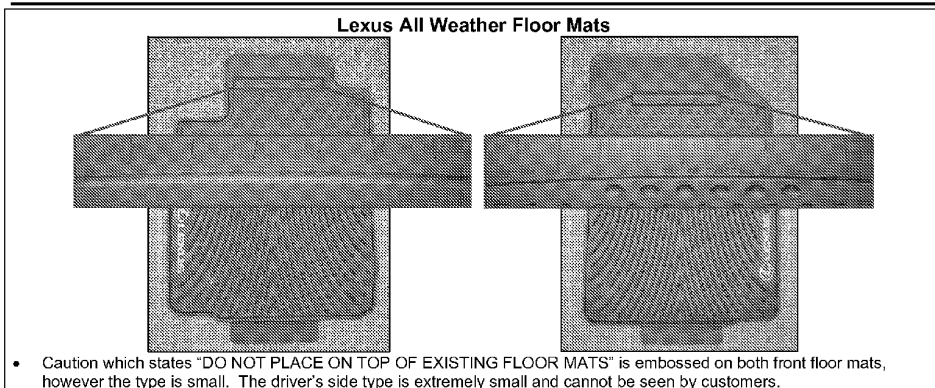




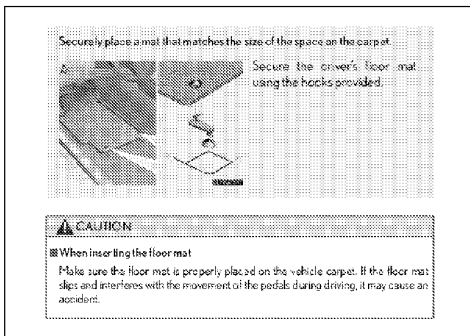
**ES 350 All Weather Floor Mats**

CONFIDENTIAL

**BACKGROUND**



- Caution which states "DO NOT PLACE ON TOP OF EXISTING FLOOR MATS" is embossed on both front floor mats, however the type is small. The driver's side type is extremely small and cannot be seen by customers.
- On certain 2007 model year Lexus ES 350 vehicles, if the driver's position Lexus All Weather Floor Mat is installed on top of the Lexus Carpeted Floor Mat, there is a possibility that the Lexus All Weather Floor Mat may interfere with the movement of the pedals.
- NHTSA has received ten consumer complaints alleging that the accelerator pedal did not properly control engine speed on 2007 model year Lexus ES 350 vehicles. Based upon these reports, NHTSA is currently evaluating whether a Preliminary Evaluation (Defect Investigation) is necessary. NHTSA believes the Lexus All Weather Floor Mats may be mistakenly being installed over the Lexus Carpeted Floor Mats by Lexus dealers. The agency has indicated that a Preliminary Evaluation will be open shortly if Toyota does not take action.
- In the past three years (2004 – 2007), NHTSA has opened one Preliminary Evaluation and two Defect Petitions involving Camry, Solara and/or ES vehicles.
- There were approximately 90,000 model year 2007 ES 350 vehicles manufactured for sale in the United States.
- The Lexus All Weather Floor Mats are also exported to Guam, Hawaii and Puerto Rico.



**2007 Model Year ES 350 Owners Manual Caution Statement:**

**"When inserting the floor mat**  
*Make sure the floor mat is properly placed on the vehicle carpet. If the floor mat slips and interferes with the movement of the pedals during driving, it may cause an accident."*

**ES 350 ALL WEATHER FLOOR MAT SALES/INSTALLATIONS**

| All Weather Mats       | 04/06      | 05/06       | 06/06       | 07/06       | 08/06       | 09/06       | 10/06       | 11/06       | 12/06       | 01/07       | 02/07       | 03/07      | Totals       |
|------------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|--------------|
| <b>PPO Sales</b>       |            |             |             |             |             |             |             |             |             |             |             |            |              |
| PT908-33070-02         | 298        | 470         | 408         | 550         | 465         | 405         | 458         | 506         | 446         | 455         | 488         | 145        | <b>5094</b>  |
| PT908-33070-11         | 219        | 340         | 302         | 340         | 312         | 314         | 397         | 427         | 357         | 394         | 398         | 113        | <b>3913</b>  |
| PT908-33070-14         | 314        | 496         | 455         | 587         | 542         | 493         | 598         | 614         | 581         | 490         | 562         | 170        | <b>5902</b>  |
| <b>Total</b>           | <b>831</b> | <b>1306</b> | <b>1165</b> | <b>1477</b> | <b>1319</b> | <b>1212</b> | <b>1453</b> | <b>1547</b> | <b>1384</b> | <b>1339</b> | <b>1448</b> | <b>428</b> | <b>14909</b> |
| <b>DIO Sales</b>       |            |             |             |             |             |             |             |             |             |             |             |            |              |
| PT908-33070-02         | 15         | 8           | 184         | 295         | 99          | 228         | 169         | 126         | 301         | 261         | 239         | 159        | <b>2144</b>  |
| PT908-33070-11         | 15         | 8           | 156         | 177         | 114         | 194         | 127         | 125         | 164         | 185         | 232         | 106        | <b>1603</b>  |
| PT908-33070-14         | 0          | 6           | 214         | 366         | 74          | 411         | 239         | 265         | 330         | 330         | 380         | 229        | <b>2844</b>  |
| <b>Total</b>           | <b>30</b>  | <b>22</b>   | <b>554</b>  | <b>838</b>  | <b>287</b>  | <b>833</b>  | <b>535</b>  | <b>516</b>  | <b>795</b>  | <b>776</b>  | <b>911</b>  | <b>494</b> | <b>6591</b>  |
| <b>Combined Totals</b> |            |             |             |             |             |             |             |             |             |             |             |            |              |
| PT908-33070-02         | 313        | 478         | 592         | 845         | 564         | 633         | 627         | 632         | 747         | 716         | 787         | 304        | <b>7238</b>  |
| PT908-33070-11         | 234        | 348         | 458         | 517         | 426         | 508         | 524         | 552         | 521         | 579         | 630         | 219        | <b>5516</b>  |
| PT908-33070-14         | 314        | 502         | 669         | 953         | 616         | 904         | 837         | 879         | 911         | 820         | 942         | 399        | <b>8746</b>  |
| <b>Total</b>           | <b>861</b> | <b>1328</b> | <b>1719</b> | <b>2315</b> | <b>1606</b> | <b>2045</b> | <b>1988</b> | <b>2063</b> | <b>2179</b> | <b>2115</b> | <b>2359</b> | <b>922</b> | <b>21500</b> |

**ES 350 AND CAMRY COMPARISON**

Camry was also reviewed for potential issues regarding pedal interference by the All Weather Floor Mats.

- 15,000 Camry All Weather Floor Mats have been sold.
- Approximately 415,000 current generation Camry vehicles (excludes Solara) have been wholesaled to date.



**ES 350 CAMPAIGN POTENTIAL OPTIONS AND EXPENSE ESTIMATES**

- All costs are estimates only and may increase if the agency requires future re-notification activities.

| Item  | Calculation  | Cost        | Options           |                            |   |  |  |             |
|---|--|-------------|-------------------|----------------------------|---|--|--|-------------|
|   |  |             | Owner Letter Only | Owner Letter/Caution Label | Owner Letter/Caution Label/Dealer Label Installation Upon Request | Owner Letter/Caution Label/Dealer Label Installation | Owner Letter/Dealer Inspector/Improved Mat |             |
| Area and Dealer Notice                          | 220 x \$10 x 3 (Dealer Principal, Serv. Mgr. & Parts Mgr.) | \$6,600     | \$6,600           | \$6,600                    | \$6,600   | \$6,600  | \$6,600                                    | \$6,600     |
| Owner Letter                                    | 90,000 x \$1/per notice                                    | \$90,000    | \$90,000          | \$90,000                   | \$90,000  | \$90,000   | \$90,000                                   | \$90,000    |
| Folk Data                                       | 90,000 Owner Name Address Data \$7,000                     | \$7,000     | \$7,000           | \$7,000                    | \$7,000   | \$7,000  | \$7,000                                    | \$7,000     |
| Admin. Fee (Dealer Assistance Upon Request)     | 22,000 x dealer \$68/hour x 0.2 hours x 90% completion     | \$129,360   | -                 | -                          | \$129,360   | -  | -  | -           |
| Admin. Fee (All)                                | 90,000 x dealer \$58/hour x 0.2 hours x 90% completion     | \$1,187,800 | -                 | -                          | -   | \$1,187,800  | -  | \$1,187,800 |
| Caution Label                                   | 90,000 x \$1/per notice                                    | \$90,000    | -                 | \$90,000                   | \$90,000  | \$90,000   | -  | -           |
| Dealer Assistance Installing Label Upon Request | 22,000 x dealer \$58/hour x 0.2 hours x 90% completion     | \$129,360   | -                 | -                          | \$129,360   | -  | -  | -           |
| Dealer Assistance Installing Label (All)        | 22,000 x dealer \$68/hour x 0.2 hours x 90% completion     | \$305,060   | -                 | -                          | \$305,060   | -  | -  | -           |
| Dealer Inspection Only                          | 88,000 x dealer \$68/hour x 0.2 hours x 90% completion     | \$1,109,520 | -                 | -                          | -   | \$1,109,520  | -  | \$1,109,520 |
| Dealership installation (Improved Mat)          | 22,000 x dealer \$58/hour x 0.3 hours x 90% completion     | \$562,120   | -                 | -                          | -   | -  | -  | \$562,120   |
| Improved Mat (based on current cost)            | 22,000 x \$59 + 45% mark up x 90% completion               | \$1,693,890 | -                 | -                          | -   | -  | -  | \$1,693,890 |
| Lexus Touch (Full Tank)                         | 90,000 x 15 gal. x \$3.25/gal x 90% completion             | \$3,948,750 | -                 | -                          | -   | -  | \$3,948,750                                | \$3,948,750 |
| Lexus Touch (Carwash)                           | 90,000 x \$1.0/veh x 90% completion                        | \$810,000   | -                 | -                          | -   | -  | \$810,000                                  | \$810,000   |
| Lexus Touch (Gift for Mat Replacement Only)     | 22,000 x \$1.00 x 90% completion                           | \$1,980,000 | -                 | -                          | -   | -  | -  | \$1,980,000 |
| <b>Total Costs (Est.)</b>                       |  |             | <b>\$109,800</b>  | <b>\$193,800</b>           | <b>\$462,320</b>  | <b>\$8,127,650</b>                                   | <b>\$11,905,480</b>                        |             |

**Product Quality and Service Support - March 21, 2007**