September 6, 2007
Customer Quality Engineering Div.

NHTSA Defect Investigation
ES350 Interference between All Weather Floor Mat and Accelerator Pedal

[Background]

Since March of this year, NHTSA has been investigating a possible interference condition between the Lexus All Weather Floor Mat (AWFM) and the accelerator pedal which may occur on ES350 vehicles when the AWFM is installed improperly, such as being placed on top of the existing floor mat (carpeted floor mat) or not secured with the retaining clip.
In reaction to the NHTSA's concern, Toyota initiated voluntarily activity to send a letter to all owners of the ES350 to instruct them on the proper usage of the AWFM. However, NHTSA upgraded the investigation and expanded the subject vehicles (IS, Camry, Avalon, Prius) and has been requesting that Toyota initiate some further/additional action on this issue. In addition, NHTSA has requested to have a face-to-face meeting with Toyota on June 13th or 14th to discuss this issue.

[TMC's opinion]

NHTSA considers this issue to be very serious and believes that something must be done on this issue as soon as possible. Therefore, NHTSA is now considering issuing a Public Advisory by themselves to warn consumers or sending an official letter to Toyota requesting to conduct a safety recall.
Although this issue may occur due to improper installation of the AWFM, we believe that NHTSA's requests are unreasonable. However, we presume that we will not be able to solve this controversy with NHTSA unless we propose some compromise with NHTSA at the meeting. Otherwise, NHTSA will proceed and take action by themselves as soon as possible.

[Proposal to NHTSA in the meeting]

Currently we are thinking of providing NHTSA with the following proposal;

- Press release by Toyota to inform customers on the proper installation and usage of the mat and warn them of the possible risks if they do not
- Send a dealer letter to all dealers to instruct them on the proper installation of the mat if they install the mat before vehicle delivery to a customer
- Send a owner letter to the customers of the other subject vehicles that NHTSA has expressed concern with regarding the proper installation and usage of the mat and warn them of the possible risks if they do not
- Present NHTSA with our investigation plan and promise to have another meeting with them to provide the results of our investigation.

We will continue our thorough investigation/analysis and discuss further responses in consideration of the NHTSA's reaction to our proposal mentioned above.