

Toyota, owners spar over sludge problem

By Joe Kohn
Automotive News, February 11, 2002
Los Angeles

In September 1999, Maggie Alemany, a 47-year-old medical transcriptionist, drove off the lot of Kendall Toyota in Miami with a new 2000 Toyota Sienna minivan equipped with a 3.0-liter V-6.

Having leased two Previas previously, Alemany says she felt comfortable with Toyota and confident of its quality. But just over a year and 29,000 miles later, she took the Sienna back to Kendall for service because the oil indicator light stayed illuminated.

That's when Alemany got yanked out of her Toyota comfort zone.

"When I got there," she recalled in a telephone interview last week, "they told me I needed a new engine and that they wouldn't pay for it." Kendall Toyota quoted the repair at \$8,000.

Like more than 3,000 other owners who have complained to Toyota about vehicles equipped with two of the automaker's core engine families - the 1MZ V-6 and 5SFE inline 4 - Alemany suddenly found herself at loggerheads with a company she had long associated with high quality and caring customer service.

Her engine was choking on a buildup of sludge, oxidized oil in the form of mucky goo that can seize up an engine. But because the problem can be caused from failure to change the oil regularly, Toyota steadfastly has refused to cover it under its

five-year/60,000-mile powertrain warranty. Her Sienna has been parked in her front yard, undriveable, for the past year while she argued unsuccessfully with Toyota.

That part of her ordeal appears to be over, though.

In a letter sent last week to more than 3.3 million owners of vehicles equipped with the two engines, Toyota Motor Sales U.S.A. Inc. says it will pay repair costs for sludge damage in cases where customers can provide proof of "reasonable efforts" to maintain the vehicle.

The so-called special policy adjustment, requiring proof of only one oil change in a year, is good for one year. At the same time, though, the U.S. sales arm refused to veer from its position that negligent owners, not the product, are the source of the problem.

"We're not aware of any cases of oil gelling in properly maintained engines," said Bob Daly, general manager of Toyota Customer Services, in a press release that admonishes owners to maintain their vehicles properly.

"Toyota understands that customers can sometimes be confused about how to properly maintain their vehicles. We're confident that this program will remind customers of their responsibility as well as reassure those who have had regular oil changes that they have nothing to be concerned about."

Toyota and Lexus owners manuals stipulate oil changes every 7,500 miles or six months, whichever comes first, under normal driving conditions, and 5,000 miles or four months under severe driving conditions.

But to Alemany and thousands of other complainants who have vented on the Internet, to the National Highway Traffic Safety

Administration, to lawyers, to radio talk show hosts - and to Toyota - the company's stance is the worst kind of distortion. In the view of these angry owners and some experts, the problem stems from design or quality flaws in some of the 3.3 million engines produced between 1996 and 2001.

Alemany said she showed her dealer oil change receipts from Jiffy Lube showing that she had changed the oil in the Sienna regularly.

"I might not have done oil changes every 4,000 miles," she said. "I have some at 4,000 and some at 6,000 - but I have had oil changes. But they wouldn't accept my Jiffy Lube receipts."

Similarly, Robin Burpee, a 38-year-old homemaker in Mendon, Mich., says she was refused warranty coverage for sludge damage even after showing her dealership, Sunshine Toyota Inc. of Battle Creek, receipts for regular oil changes. Her leased 2000 Sienna XLE broke down on the highway in November and had to be towed.

After filing for arbitration under recommendation from an independent master technician, Toyota in late January agreed to pay for Burpee's engine repairs but refused to pay for alternate transportation, costs for hiring an independent technician and other incidental costs associated with the repair.

"I am out of pocket nearly \$5,000 of incidental expenses that they are refusing to reimburse me for," Burpee said last week.

Design questions

Although it's not clear why the two Toyota engines are so susceptible to sludge buildup, some independent experts say the concentration of complaints within two engines and a

narrow time band points to either a design flaw or a quality defect.

Larry Perry, an A.S.E.-Certified Master Technician, repair-shop owner and host of a radio talk show in Orlando, Fla., says he has discovered an apparent design flaw in 3.0-liter V-6s produced between 1999 and 2001. He says he sees a disproportionate number of the engines coming through his shop on 1999 and 2000 Siennas.

"We believe Toyota reduced the size of cooling passages to the cylinder heads in those engines in order to increase combustion temperatures for more of a complete burn to reduce exhaust emissions," Perry said.

Excessive heat makes oil more susceptible to sludge. Perry says he has measured cylinder-head temperatures as high as 260 degrees in those engines - 30 degrees higher than in earlier models.

Perry also points out that this engine series uses a lifter bucket instead of a rocker arm to open and close the valves.

"The lifter sits in the head and gets sludge and debris compacted up underneath it. So when it gets compacted by the camshaft, it's squeezing oil into the combustion chambers," he said.

In this case, he said, the solution is to use only 100 percent synthetic motor oil.

Another Toyota Sienna owner, who declined to be identified, said an analysis of her oil by Valvoline Co. in Lexington, Ky., found traces of chemical glycol - pointing to the likelihood of a leaky head gasket, allowing coolant into the engine chamber.

That also would raise engine temperatures, leading to sludge buildup.

Last week, Toyota said that its policy change is not an admission that there is any defect in the engines. Rather, the company says, it is an attempt to calm an inordinately large number of concerns about sludge while encouraging customers to maintain their vehicles properly.

In the scope of Toyota's millions-strong customer base, the approximately 3,100 consumers to date who have complained to the company about sludge - 2,400 Toyota owners and 700 Lexus owners - is microscopic. The group consists of less than .01 percent of Toyota owners in the United States.

Legal storm brewing

But some Toyota owners who have incurred large costs because sludge has ruined their engines still are adamant in saying that Toyota has not done enough and are turning to lawyers to make their voices heard.

Lawyers in Florida, Georgia and Idaho are using Internet message boards to gather clients in hopes of forming class-action lawsuits against the automaker.

Toyota spokesman Mike Michels said Toyota monitors the "vocal few" customers on the Internet who warn others about purchasing Toyota products because of sludge problems. But he and Daly said the company was not aware of lawsuits being formed.

Regardless of what potential legal action may do, Toyota still faces dozens of customers who, like Alemany, insist they deserve more compensation than the cost of replacing an engine.

"They don't know what I've been through," she said late last week after Toyota announced the new policy.

"My daughter has been stuck at school, I have been asking for rides, walking home, waiting two hours for a bus - all the while I'm making car payments. I don't think I'm asking for too much at all. Not at all. I've been abused by this big corporation. That's how I feel."