

Testimony of Michael P. Millikin
Before
The Senate Committee on Commerce, Science and Transportation
Subcommittee on Consumer Protection, Product Safety, and Insurance
July 17, 2014

Chairman McCaskill and Ranking Member Heller, members of the Committee...

Before I begin, I want to say to those who lost loved ones and to those who were injured—I am deeply sorry. I know we as a company, and I personally, have a responsibility to make sure this never happens again.

I am the General Counsel of General Motors Company. I have worked for GM for 37 years. Prior to that, I was an Assistant United States Attorney, and I clerked for the Honorable Vincent J. Brennan of the Michigan Court of Appeals.

As you are aware, the investigation conducted by Anton Valukas revealed the failures behind the ignition switch recall, including those of the Legal Staff.

When Ms. Barra testified before this Committee on April 2, a number of you, including Chairman McCaskill, raised serious and important questions about the performance of the Legal Staff and our responsibility in this tragedy. As general counsel, I am ultimately responsible for the legal affairs of the company. I am here today to answer these questions.

I first learned about the Cobalt ignition switch defect during the first week of February of this year. I immediately took action. Had I learned about it earlier, I would have taken action earlier.

We had lawyers at GM who didn't do their jobs; didn't do what was expected of them. Those lawyers are no longer with the company.

I have taken, and will continue to take steps to make sure something like this never happens again.

The Valukas report contains detailed recommendations for how the Legal Staff can improve and serve an even greater role in meeting GM's commitment to safety. I am assuring the implementation of each and every recommendation, and I have made and will continue to make other changes to help us improve.

I have, for example:

1. Directed that before any settlement or trial of a case involving a fatality or serious bodily injury, the case be brought to me for review, with a focus on any open engineering issues;
2. Reorganized the Legal Staff to foster sharing of information and the identification of emerging trends, including elevating a senior attorney to be the Chief Legal Advisor to Jeff Boyer, Vice President of Global Vehicle Safety, with a direct reporting line to me,

and a dotted reporting line to Mark Reuss, Executive Vice President of Global Product Development;

3. Supplemented existing legal resources with attorneys from two outside law firms to assure the proper level of engagement;
4. Appointed a well-respected outside law firm to conduct a zero-based review of GM's litigation practices; and
5. Met with the entire U.S. Legal Staff to discuss the Valukas Report's findings and to set high expectations going forward.

These changes and others will result in greater transparency and information flow on issues of safety within the Legal Staff, as well as between the Legal Staff and the company generally. And, I am committed to making sure I, and GM's senior management team, have full line of sight into all safety related matters.

GM's Legal Staff is comprised of hardworking, dedicated professionals of the highest integrity. They strive daily to help global GM achieve its business objectives in a lawful and ethical manner.

They have expressed sincere and deep disappointment, and regret, because of the actions—and inactions— of some individuals within the company, including those on the Legal Staff, who failed the company. The GM Legal Staff is dedicated to helping GM become the leader in automotive safety.

We now have to correct our mistakes. And, we are. But this is only the beginning. All of us at GM are committed to setting a new industry standard for safety, quality, and excellence. We must do better. We will do better. I am personally committed to this.

Thank you.