

Written Statement
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U.S. Senate, Committee on Commerce, Science, and Transportation
Subcommittee on Consumer Protection, Product Safety, Insurance, and Data Security
Update on NHTSA and Automaker Efforts to Repair Defective Takata Air Bag Inflators
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Good afternoon, Chairman Thune, Chairman Moran, Ranking Member Nelson, Ranking Member Blumenthal and members of the subcommittee. Thank you for the opportunity to testify before you today on this important issue.

The Takata airbag inflator recalls are the largest and most complex vehicle recalls in United States history. There are currently 19 affected vehicle manufacturers, with an estimated 50 million unrepaired defective airbag inflators under recall in approximately 37 million U.S. vehicles.

The words “grenade” and “ticking time bomb” accurately convey the lethal potential of these defective inflators. To date, at least 15 people in the United States have been killed by defective Takata airbag inflators—more confirmed fatalities than in any other country. In these fatalities, the Takata airbag inflator, instead of properly inflating to cushion the victim and prevent injury, detonated in an explosion that tore apart its steel inflator housing and sprayed metal shards at high velocity toward the victim. The victims have died from blunt head trauma, severance of the spine at the neck or extreme blood loss from lacerations to the chest, neck or face. The confirmed fatalities have occurred in nine states: California, Florida, Louisiana, Oklahoma, Pennsylvania, South Carolina, Texas, Virginia and West Virginia. In many additional cases, including in many additional states, surviving victims of Takata inflator explosions have been permanently disabled or disfigured.

These are urgent safety recalls, and the combination of over a dozen affected vehicle manufacturers, tens of millions of affected vehicles and risk of potential death or serious injury is unprecedented. As the largest and most wide-reaching set of vehicle recalls in U.S. history, the Takata airbag inflator recalls require vehicle manufacturers to dedicate substantial resources, implement recall initiatives on a significant scale, and think strategically and innovatively to maximize repairs.

One particular challenge is that most affected vehicles are older models. Over 97% of the vehicles presently under recall are over five years old and nearly 75% of the vehicles are more than ten years old. Older vehicles change hands more through private sales and auctions. Older vehicles’ owners are less likely to have a relationship with a local dealer and more likely to use an independent repair facility for maintenance and repairs. Identifying the correct contact information for current owners of these older vehicles also takes greater effort.

As part of my mandate to oversee, monitor, and assess compliance with the Coordinated Remedy Program, I have pursued a wide range of activities to drive innovation and intensity of focus to get these vehicles repaired despite the challenges posed. That work has included research to identify messaging that clearly communicates the defect's risk to consumers and motivates them to act, engaging the various stakeholders in these recalls, piloting initiatives to equip vehicle manufacturers with additional tools to execute the recalls with greater success, constantly monitoring progress, and making comprehensive recommendations to provide a recipe for success. The recommendations address in detail specific topics critical to the efficacy of the Takata recalls, including: (1) improving consumer outreach, (2) engaging dealerships, (3) engaging other third parties such as independent repair facilities and outreach vendors and (4) employing salvage recovery services to retrieve scrapped or salvaged inflators. Summaries of recommendations and observations for success are set out at Figures 29 and 55, respectively, of The State of the Takata Airbag Recalls report issued this past November, which treats this subject in greater detail.

Data and experience in these recalls confirms that vehicle manufacturers have greater success when they send frequent outreach in a variety of mediums, including not only mail but also email, telephone, text message and social media, and that repeated reminders are crucial to convey the urgency of the safety risk. The most effective outreach is personalized to the owner and vehicle type, and provides a clear, simple and actionable message, including emphasizing that the repair is free.

For the very highest risk Do-Not-Drive vehicles, outreach efforts have been taken to new levels, including an unprecedented door-to-door canvassing effort, with teams of canvassers literally knocking on the front doors of vehicle owners' homes. The first canvassing pilot involved Honda's Do-Not-Drive "Alpha" vehicles and has been a great success. When a canvasser spoke with an individual at the door who was able to schedule an appointment for a repair, an appointment was scheduled more than 80% of the time. Knocking on doors has also provided invaluable information about the vehicle's current location, such as whether the vehicle has been sold and is no longer at that address. Honda has adopted canvassing nationwide for all unrepaired high-risk vehicles. Additional vehicle manufacturers, including Ford, Fiat Chrysler and Mazda, are now piloting door-to-door canvassing and already seeing success.

Innovative ways for vehicle owners to more easily determine whether their vehicle is subject to any recall, including the Takata recalls, have also been developed, including the launch of the "AirbagRecall.com" website, which provides easy-to-understand information about the Takata recalls, allows vehicle owners to check whether they have an open Takata recall by simply entering their license plate or VIN on the website and provides a phone number and a click-to-call option to a local dealer to immediately schedule a repair. AirbagRecall.com represents the first time license plates have been used to directly check on a vehicle's open recalls. A mobile app has also been launched, with the capability to scan a license plate for open recalls by simply pointing a smartphone camera at the plate.

In partnership with NHTSA and all 19 affected vehicle manufacturers, four Takata Recalls summits have been hosted to provide a forum for affected vehicle manufacturers to share best practices in recall completion and develop industry-wide strategies. These summits include presentations by the affected vehicle manufacturers on key topics including coordinated communications, innovative outreach strategies and engaging key third parties in the recall process. Working groups comprised of numerous automakers facing similar challenges convene regularly to continue to refine strategies and improve coordination to increase recall repairs.

In the past, many affected vehicle manufacturers were slow to engage meaningfully and think strategically about how to maximize recall repairs and to deploy the kind of innovative recall techniques needed for the Takata recalls. More recently, there has been marked improvement, and the recall completion percentages are beginning to reflect this effort. Affected vehicle manufacturers are more readily exploring multi-touch, layered communications, mobile repair, engagement with independent repair facilities and door-to-door canvassing in order to remove defective inflators from U.S. roadways. Recent campaigns have achieved in just two quarters what previously took more than five, doubling and even tripling the rate of repairs. Vehicle manufacturers using frequent, multi-channel outreach have seen completion percentages nearly twice as high as rates for vehicle manufacturers using traditional letter outreach, when targeting similarly situated vehicles over the same period of time. More intensive dealer engagement is also yielding real improvements in repair rates.

But there is still plenty of room for improvement, much work to be done, greater coordination to achieve, further resources to be deployed and more scale to be brought to initiatives that data and experience demonstrate make a real difference. I look forward to continuing to work with this Committee to identify additional ways to accelerate progress in combating this deadly safety issue.

Chairman Thune, Chairman Moran, Ranking Member Nelson, Ranking Member Blumenthal and members of the subcommittee, thank you again for the opportunity to testify today, and for your continued focus on this critical matter of consumer protection.