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## Takata Air Bag Recall Could Dwarf GM and Toyota Recalls

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When over 10 million Toyota vehicles were recalled (http://en.wikipedia.org/wiki/2009%E2%80% 9311 Toyota vehicle recalls) between 2009 and 2011 for problems related to "unintended acceleration" it created quite the media storm. The nature of the recalls, along with a tragic 911 recording of pedal entrapment (followed by high-profile government hearings) had a negative short-term impact on Toyota's reputation. Then, beginning in February of 2014, a series of recalls related to GM ignition switches



(http://en.wikipedia.org/wiki/2014\_General\_Motors\_recall) in several million vehicles created a similar media frenzy, though the damage to GM's reputation appears somewhat muted by comparison. The level of controversy surrounding both GM's and Toyota's recalls was driven by three key factors:

- 1. A large number of vehicles
- 2. Multiple injuries and fatalities
- 3. A history of incidents suggesting NHTSA and the automakers should have identified the problem years earlier



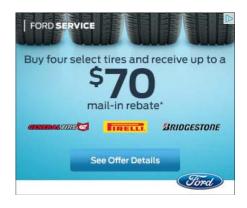
These similarities are worth noting because we are on the threshold of yet another massive automotive recall. This one includes the same three elements listed above, and it will likely result in the same series of post-recall events (heightened media attention, government hearings and damaged reputations). This recall is focused on air bags produced by Takata that have malfunctioned during deployment, sending shrapnel flying through the passenger cabin. Multiple injuries and fatalities have been linked to these air bag malfunctions, and an <a href="article-published on September 11, 2014">article-published on September 11, 2014</a> in The New York Times (http://www.nytimes.com/2014/09/12/business/air-bag-flaw-long-known-led-to-recalls.html) chronicles the events leading up to the recall of 14 million vehicles produced by 11 manufacturers between 2000 and 2011.

## Curbing Cars, The New eBook From Forbes (http://www.forbes.com/ebooks/curbing-cars-americas-independence-from-the-auto-industry/? utm\_source=articlelink&utm\_medium=direct&utm\_campaign=carsebook)

Curbing Cars: America's Independence From The Auto Industry investigates why a growing number of Americans are giving up their cars. This illuminating account of our changing automotive habits is available now for download. (http://www.forbes.com/ebooks/curbing-cars-americas-independence-from-the-auto-industry/? utm\_source=articlelink&utm\_medium=direct&utm\_campaign=carsebook)

If one reads through the recall documents available on the NHTSA website

(http://www.safercar.gov/Vehicle+Owners/NHTSA-statement-on-takata-air-bags) it's clear every manufacturer involved in this recall is willing to comply with NHTSA's suggested "regional field action." The field action, issued on June 11, 2014, calls for the replacement of air bags in certain vehicles located in Florida, Hawaii, Puerto Rico and the U.S. Virgin Islands. On that same date (June 11, 2014) NHTSA opened an investigation to determine what is causing these air bags to spray potentially deadly fragments at drivers and passengers when the air bags deploy.



While this recall is similar to the GM and Toyota recalls there are some important differences. First, the recall is (so far) regional in nature. It only applies to vehicles in specific locations because the nature of the air bag problem appears climate related. Takata is claiming only high humidity will cause the air bags to deteriorate and eventually malfunction. Yet one of the fatalities linked to Takata air bags (shrapnel from the air bag cut a women, causing her to bleed to death) occurred in Richmond, Virginia in 2009. That same year another women was killed in a minor accident in Oklahoma from an exploding Takata air bag. Another air bag incident, also involving hot plastic and metal shrapnel, occurred in Los Angeles just three months ago. The first reported injury related to shrapnel from a Takata air bag deployment took place in 2004 — in Alabama. None of these locations are part of NHTSA's June "field action" (NHTSA's documents don't label this action a recall, and every manufacturer response letter clearly noted that no "safety defect" determination has been made).

Second, like many recalls this one involves an automotive supplier. But unlike the GM or Toyota recalls, this one centers on a standardized component for which the automakers have minimal direct involvement in designing. All air bags must meet specific parameters to comply with government regulations, which means they are treated as a fairly generic part. The automakers and Takata have to agree to basic dimensions and packaging, but after that it's up to Takata to produce the air bags while the automakers provide appropriate space and mounting points. It's this standardized system that allows the same basic air bag to go into so many vehicles from multiple manufacturers over several years. That's good from a cost reduction standpoint, but if there's ever a problem with a standardized part the problem can easily involve millions of vehicles.

It's always particularly troubling when a device designed to save lives is taking them. Air bags have faced multiple challenges since the government first mandated them on all vehicles produced after April 1, 1989. The excessive force of early air bags caused several fatalities, with children and small women being the primary victims. Updated, dual-stage air bags were supposed to address the issue, though regulations still require front air bags to fire with the necessary force to save an unbelted adult male.

Plenty of unanswered questions about shrapnel-related injuries and fatalities remain, which is arguably the most disturbing aspect of this situation. A series of past recalls by various manufacturers hasn't solved the problem, and suggestions that only humid climates are at risk seem spurious at best. Humidity may speed up the process, but does anyone really think an air bag problem in Puerto Rico today will never affect a vehicle in Arizona or West Texas? What if you live in Arizona but spend your summers in Florida?

Given the number of unexploded air bags roaming our streets let's hope NHTSA, Takata and the automakers find all the answers. Fast.

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