AIRBAG RECALL CAMPAIGN

DISCLAIMER NOTICE: The following is an accessible outline of the Airbag Recall Campaign PowerPoint presentation provided at the BAR Advisory Group meeting on October 22, 2020. A webcast recording of the presentation is also available on the BAR Advisory Group page at www.bar.ca.gov.

Slide 1: Takata Airbag Recalls: California Bureau of Automotive Repair Letter Campaign
October 22, 2020
Elevate Public Affairs

Slide 2: Table of Contents
I. Overview of Takata Airbag Recalls
II. California Letter Campaign
III. Results
IV. Next Steps
V. Q&A

Slide 3: Overview of Takata Airbag Recalls
(Section header slide)

Slide 4: Takata Airbag Recalls
The Issue:
• In the United States, tens of millions of vehicles across 19 vehicle manufacturers contain un repaired defective airbag inflators under recall.
• More than one million defective airbag inflators are affecting vehicles in the State of California alone.
• Prolonged exposure to high heat and humidity degrades the chemical propellant in a defective airbag inflator over time, which makes it more explosive and increases risk of serious injury or death.
• California is a hot spot for unrepaired, dangerous vehicles, both because of its large population and its warm, and often humid, climate.
• Some vehicles have a 50% chance of a dangerous airbag inflator explosion upon deployment, spraying metal shrapnel at vehicle occupants.

The Fix:
• Individuals driving a vehicle with a defective Takata Airbag Recalls can schedule a FREE recall repair with their local authorized auto dealer.
• Although automakers are notifying at-risk drivers and authorized auto dealerships are actively replacing defective airbag inflators for free, many remain unaware of the severity.

Slide 5: Video of Inflator
The video shows slow-motion footage of a test by the National Highway Traffic Safety Administration on a Takata airbag. During the test, the airbag inflater ruptures, sending metal fragments flying.

Slide 6: Status of Recall
Why it Can’t be Ignored:
• At least 17 people have been killed in the United States, including 3 Californians.
• More than 350 Americans have suffered serious injuries.
• Approximately 61 million vehicle airbags are affected in the United States.
• Vehicles range from model years 2000-2018.

To Date:
• Millions of vehicles have been fixed.
• 12 million vehicle airbags remain unrepaired in the United States.

(Image of Reuters.com article. The headline reads “Honda Confirms 17th U.S. Death in Takata Airbag Rupture.”)

(Images of California Victims: Hai Ming Xu, 47, Alhambra, California; Jewel Brangman, 26, San Diego, CA; Delia Robles, 50, Corona, CA)

Slide 7: California BAR Letter Campaign
(Section header slide)

Slide 8: State Transportation Agencies
State Transportation Agencies are good messengers because they are in a unique position to assist in recalls:
• Collection of vehicle owner contact information
• Trusted messengers
• Respected governmental authorities
• Not connected with any perceived sale or profit motive

Slide 9: Overview of Letter Campaign
The Airbag Recall: California Coalition proposed a partnership with the CA Bureau of Automotive Repair and affected vehicle manufacturers to carry out a notification mailing using the BAR logo as a trusted and credible messenger for drivers.

Key Activities:
• California BAR
  o Approval of use of logo
  o Approval of letterhead and envelope artwork for mail piece
• OEMS
  o Cover entire expenses of letter campaign (ex. Postage, Printing, etc.)
  o Use data secured from DMVs and other sources
  o Development of letter
  o Track and share results

Slide 10: Participating OEMs
(Images of participating OEM logos: Daimler, Ford, Subaru, Fiat Chrysler Automobiles (FCA), Nissan, Volkswagen (VW), BMW, Toyota, Mitsubishi Motors, GM, Ferrari, Mazda)

Slide 11: Sample Letter
Bold Headline:
• “Urgent Safety Recall”
• Call to action

Personalization:
• Owner’s name in salutation, instead of “Dear Vehicle Owner”

Customization:
• Year, make, model, and VIN
Clear Language:
- Easy-to-understand description of the defect and risks
- Information about parts availability
- Information about offers

Call to Action:
- Step-by-step instructions
- Phone number and website

(Image of sample letter)

Slide 12: Timeline
January 13-17, 2020: OEMs launch letter campaign
January 22-February 7, 2020: Second wave OEMs launch letter campaign
February 14, 2020: Analysis of results 1
March 13, 2020: Analysis of results 2
April 27, 2020: Impact analysis

Slide 13: Over 1.2 Million Letters Mailed
Mitsubishi: 4,772; BMW: 86,000; Daimler Vans: 14,913; VW: 48,562; Nissan: 35,795; FCA: 140,000; Ferrari: 1,560; Honda: 450,045; Mazda: 60,000; Toyota: 247,580; Subaru: 19,900; Ford: 123,774; GM: 10,590

Slide 14: Results

Slide 15: Impact on Reported Repair Rates
- Letter launch - January 13-17, 2020: First wave of letters saw an increase in repair rates by 164%.
- Letter launch - January 22-February 7, 2020: Repair rates following the second wave of letters increased by 132%.
- NOTE: The state of California issued a Shelter in Place order on March 19, 2020, to protect the public health of Californians from COVID-19. Due to the coronavirus outbreak, repair activity was likely impacted during the months of March and April.

Slide 16: Results – Overview 1
Number of weeks following the mailers when repair rates peaked: 8
Approximate total number of inflator repairs that took place following the mailer: 140,000
Difference in repairs directly attributed to mailer: 43,000

Slide 17: Results – Overview 2
COVID-19 Impact: The state of California issued a Shelter in Place order on March 19, 2020, to protect the public health of Californians from COVID-19. Due to the coronavirus outbreak, repair activity was likely impacted during the months of March and April.

How does this letter campaign compare to similar campaign mailers?
- Results from the BAR letter campaign are consistent with other state DMV letters.
- Timing of the letter campaign (late January and early February) were likely negatively impacted [by] the pandemic.

Slide 18: Next Steps
Slide 19: Upcoming Opportunities
   • Additional letter campaign
   • BAR mediation program

(Image of sample letter)

(Image of BAR logo)

Slide 20: Q&A
(Section header slide)

Slide 21: Thank You!
(End slide)