

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

IN RE: TAKATA AIRBAG PRODUCTS
LIABILITY LITIGATION

Case No. 1:15-md-02599-FAM

THIS DOCUMENT RELATES TO:
ECONOMIC LOSS TRACK CASES AGAINST
FORD AND VOLKSWAGEN DEFENDANTS

FILED BY *JA* D.C.
AUG 31 2023
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**REPORT BY THE SETTLEMENT SPECIAL ADMINISTRATOR ON THE
IMPLEMENTATION OF THE OUTREACH PROGRAMS PURSUANT TO THE FORD
AND VOLKSWAGEN SETTLEMENT AGREEMENTS**

STATUS REPORT NO. 22 FILED AUGUST 31, 2023

The Settlement Special Administrator of the Ford and Volkswagen Settlement Agreements (collectively, the "Settlement Agreements") submits this Report to the Court to provide information and insight as to the ongoing efforts of the Outreach Programs under the Settlement Agreements¹.

As explained in further detail below, the Outreach Programs have been designed through discussion with the Parties, the National Highway Traffic Safety Administration, and the Independent Monitor of the Takata recalls to utilize techniques and approaches not previously applied in the recall industry, with a focus on personalized, targeted direct campaigns aimed at increasing the volume of outreach attempts per consumer via traditional and non-traditional channels with the goal of maximizing the recall remedy completion rate to the extent practicable given the applicable provisions of the Settlement Agreements. Consistent with this, the Settlement Special Administrator and Outreach Program vendors regularly confer and communicate with the.

¹ The data and information contained in this report is generally as of mid-Q3 2023.

automobile manufacturers to coordinate concerted efforts to ensure that outreach to affected vehicle owners is conducted as efficiently and as effectively as possible and to continually improve the overall process.

1. Direct Outreach

a. Current and Future Campaigns in Direct Outreach to Affected Consumers

The Settlement Special Administrator and Outreach Program vendors continue to deploy various direct outreach activities which have been discussed in prior Status Reports (for example, the “x-ray” piece, and “missed appointment” pieces targeted at vehicle owners who have previously scheduled repair appointments but did not ultimately have the Recall Remedy performed), as well as new approaches and fresh creative materials to maintain response, appointment, and repair rates, despite many drivers having received numerous mailers, calls, and other forms of outreach in the past. In addition to these efforts, however, there has also been considerable focus on refining vehicle owner data to the extent possible, since this dataset forms the backbone of all other outreach attempts.

As the Settlement Special Administrator and Outreach Program vendors continue to test different approaches to outreach in terms of how explicit the images and language in outreach materials may be, some less graphic pieces are set to be utilized in the coming months. For example, a mail piece is being deployed that clearly and concisely sets forth the points that the recipient “needs to know” to have the Recall Remedy performed in his or her vehicle, which has over-performed in prior mailings. A deployment is also currently planned for a creative mailer that equates driving a vehicle with an unremedied Takata inflator to skydiving with a ripped parachute. This piece rhetorically asks the recipient “You wouldn’t skydive with a ripped parachute... Why would you drive with a defective airbag?”, urging the recipient to schedule the

Recall Remedy appointment to avoid the unnecessary and dangerous risk. Similarly, with the unfortunate recent increase in Takata-related deaths in the United States, the Settlement Special Administrator and Outreach Program vendors are planning to deploy creative material with a draining hourglass, highlighting to the recipient that “time is not on your side” with a defective Takata inflator, given that age is a primary factor in terms of risk of an inflator rupture, especially since some of the unremedied vehicles are nearly 20 years old at this point.

b. Continued Efforts with State Departments and Other Entities

As reported, the Settlement Special Administrator and the automobile manufacturers have engaged various state departments to endorse the deployment of letters on behalf of their respective states to inform affected citizens of the Takata inflator recall and its severity, as well as to provide information on how to have the Recall Remedy completed. These efforts generally have resulted in some of the highest response rates and remedy rates of any communications in the Outreach Program. In addition to the states in which these letters have previously been mailed², similar letters have been mailed or are anticipated to be mailed in the coming months in Arizona, Puerto Rico, Florida (its third mailing), and Texas (its second mailing). The fact that several states have now re-engaged on this type of effort for second, third, and even fourth mailings is encouraging considering the significant success of these letters in generating repairs. The Settlement Special Administrator and the automobile manufacturers continue to contact state departments to seek their cooperation in this valuable and effective effort.

c. Overall Deployment and Response

² Louisiana, Michigan, New York, Mississippi, Alabama, Kentucky, Wisconsin, Minnesota, North Carolina, Virginia, Arkansas, Florida, Georgia, Pennsylvania, South Carolina, Ohio, Nebraska, Tennessee, Florida, Texas, Idaho, California, Puerto Rico, Colorado, New Mexico, Massachusetts, Nevada.

A total of 150,900,946 outbound deployments across all available channels have been made by the Settlement Special Administrator and Outreach Program vendors to affected consumers. These deployments are broken out by primary channels below:

<u>Channel</u>	<u>Volume</u>	<u>Total Appointments</u>
Direct Mail Pieces	25,738,671	42,377
Emails	15,597,462	1,659
Outbound Calls	9,272,501	96,132
Digital/Facebook Impressions	100,177,090	6 ³
Tagging ⁴	108,508	5,484

d. Overall Results

The Settlement Special Administrator and Outreach Program vendors have performed outreach resulting in a total of 322,993⁵ appointments and “warm transfers” to allow consumers to schedule appointments directly with dealers, and 743,806 Recall Remedies have been completed since the transition of outreach to the Settlement Special Administrator and Outreach Program vendors.⁶

³ Social media deployment on Facebook and other platforms is an extremely low-cost channel used primarily to maintain consumer awareness and a social presence to support other outreach activities which more regularly result in appointments and repairs, such as direct mail and outbound phone calls.

⁴ “Tagging” refers to the process referenced in this and prior reports, whereby the Settlement Special Administrator’s Outreach Program vendors actively search for affected vehicles on the road and, when located, place recall notifications on those vehicles.

⁵ This figure exceeds the aggregate sum of the Total Appointments by Channel in the chart above because many of the inbound calls resulting from Outreach Program materials for Ford vehicles are currently being routed directly to Ford’s call center for appointment scheduling purposes. Also see Footnote 6 below which is similarly applicable here.

⁶ Considering the significant efforts put forth towards indirect outreach methods such as mass media and public relations-type activities, Status Reports now provide the total number of Recall Remedies performed, irrespective of whether direct outreach had been performed on a vehicle. As previously mentioned, consumers often schedule repair appointments directly with the automobile manufacturer or their local dealership rather than by calling the Outreach Programs’ call center to do so. As such, the total Recall Remedy completion count presented herein cannot be attributed solely to those direct activities conducted by the Settlement Special Administrator and Outreach Program vendors and exceeds the number of appointments and “warm transfers” set by Outreach Program vendors. This is also consistent with the fact that each automobile manufacturer continues significant and extensive outreach efforts beyond those activities performed by the Settlement Special Administrator in the Outreach Programs under the Settlement Agreements.

2. Additional Activities and Efforts

At the end of 2021, the Settlement Special Administrator discontinued the use of earned media efforts as part of its Takata Outreach Program. Given the significant media coverage over the last several years, these earned media strategies greatly assisted in raising affected vehicles owners' awareness and understanding of the legitimacy and gravity of the Takata recalls. In ongoing consultation with the Parties and the National Highway Traffic Safety Administration, the Settlement Special Administrator and Outreach Program vendors continue to evaluate other activities to be performed in addition to and in conjunction with direct outreach to consumers.

3. Conclusion

The Settlement Special Administrator offers this Report to ensure that the Court is informed of the status of the Outreach Programs to date. If the Court would find additional information helpful, the Settlement Special Administrator stands ready to provide it at the Court's convenience.

/s/ Patrick A. Juneau
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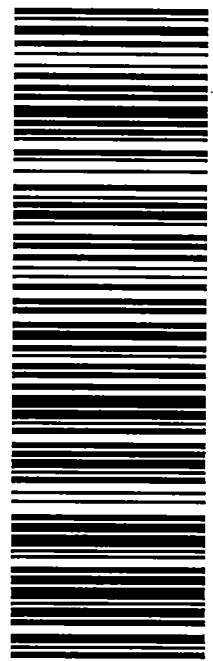
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