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

IN RE: TAKATA AIRBAG PRODUCTS LIABILITY LITIGATION

THIS DOCUMENT RELATES TO: ECONOMIC LOSS TRACK CASES AGAINST FORD AND VOLKSWAGEN DEFENDANTS Case No. 1:15-md-02599-FAM

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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. 21 FILED JUNE 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 Agreements<sup>1</sup>.

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

<sup>&</sup>lt;sup>1</sup> The data and information contained in this report is generally as of mid-Q2 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. <u>Current and Future Campaigns in Direct Outreach to Affected Consumers</u>

The Settlement Special Administrator and Outreach Program vendors continue to deploy various direct outreach activities which have been discussed in prior Status Reports, 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.

In contrast to some of the more graphic outreach materials that have been utilized in the past (for example, the "x-ray" piece as well as creative material highlighting the unfortunate recent increase in the number of Takata-related deaths in the United States), the Settlement Special Administrator and Outreach Program vendors are testing a different approach on some upcoming outreach materials. In these pieces, the focus will be on urging vehicle owners to protect themselves and their loved ones, whomever they may be, with an image of a pet dog in conjunction with the text of the mailer. While this may at first appear somewhat imprudent given the severity of the subject, it has become very clear in the last several years of outreach that different people respond to different visuals, different language, and different calls-to-action. These pieces are intended to catch the eye of those individuals who may not have been persuaded to complete the Takata recall by those more aggressive types of outreach noted above.

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Additionally, over the coming months, the Settlement Special Administrator and Outreach Program vendors plan to introduce some new variations on old themes of creative materials. For example, whereas a "summer checklist" that included scheduling a Takata inflator recall appointment had been used in the past, these materials will focus on families' summer road trips and how important it is for them to ensure their family vehicles are safe by having the Takata recall remedy performed before getting on the road.

#### 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 mailed<sup>2</sup>, similar letters have been mailed or are anticipated to be mailed in the coming months in Arizona, Nevada, and Florida (its third 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

<sup>&</sup>lt;sup>2</sup> 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 and Massachusetts.

A total of 139,966,030 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:

Channel	Volume	Total Appointments
Direct Mail Pieces	24,004,566	37,865
Emails	13,886,996	1,514
Outbound Calls	8,128,119	88,694
Digital/Facebook Impressions	98,073,772	63
Tagging <sup>4</sup>	106,311	5,386

#### d. Overall Results

The Settlement Special Administrator and Outreach Program vendors have performed outreach resulting in a total of 306,114<sup>5</sup> appointments and "warm transfers" to allow consumers to schedule appointments directly with dealers, and 715,043 Recall Remedies have been completed since the transition of outreach to the Settlement Special Administrator and Outreach Program vendors.<sup>6</sup>

<sup>&</sup>lt;sup>3</sup> 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.

<sup>&</sup>lt;sup>4</sup> "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.

<sup>&</sup>lt;sup>5</sup> 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. <sup>6</sup> 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

PATRICK A. JUNEAU

Settlement Special Administrator

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