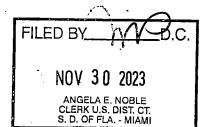
# IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF FLORIDA

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



REPORT BY THE SETTLEMENT SPECIAL ADMINISTRATOR ON THE IMPLEMENTATION OF THE OUTREACH PROGRAMS PURSUANT TO THE FORD AND VOLKSWAGEN SETTLEMENT AGREEMENTS

STATUS REPORT NO. 23 FILED NOVEMBER 29, 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-Q4 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, including "new owner" and "missed appointment" themed materials. These target recent purchasers of affected vehicles who may not be aware of the Takata recall and vehicles owners who have previously scheduled Recall Remedy appointments but for some reason failed to show, respectively, and therefore consistently perform well in terms of Repair Rates.

To complement some of the strategies discussed below, a "Do You Still Own?" campaign is underway, considering that many drivers have received numerous outreach attempts in the past but have not yet had the Recall Remedy performed. The information received back on whether they have sold their affected vehicles can then be used to direct outreach funding to either acquire different sources of vehicle ownership data to try to locate the current owner, or to utilize different types of outreach for that vehicle that may not rely on mailing or email address.

Lastly, recent outreach materials have highlighted the number of Takata-related fatalities, which at the time totaled 24 in the United States. This number regrettably has increased to 27 in the past few months. To emphasize this ever-increasing, very real risk, the Settlement Special Administrator and Outreach Program vendors plan to deploy another outreach letter, nearly identical to the one previously sent, except with the "24" slashed out and replaced with a "27."

This simple format will clearly and simply convey the message—fatalities are still occurring because of unrepaired Takata vehicles.

Concurrent with these direct activities, the Settlement Special Administrator and Outreach Program vendors continue to engage in related efforts to either drive Recall Remedy rates higher or to understand barriers to entry for vehicle owners to have the Recall Remedy completed. These strategies include outreach to commercial-type entities who typically have multiple vehicles in their fleets (often across many different vehicle manufacturers) to inform them of the number of vehicles that they own that still have open Takata recalls. Furthermore, these communications direct these multi-VIN owners to the Outreach Program managed website<sup>2</sup> where they can utilize their own unique login to view information on scheduling Recall Remedy appointments for each of their affected vehicles.

Similarly, the Settlement Special Administrator and Outreach Program vendors maintain a "Why Are You Not Repairing?" website, where outreach recipients can provide feedback on why they have still not yet had the Recall Remedy performed, despite in many cases having received dozens of outreach notifications over a series of several years now. Options include, but are not limited to, that the recipient does not own the vehicle anymore, that the recipient cannot bring the vehicle to a dealership and therefore needs a "mobile repair" (where a technician comes to the vehicle to perform the Recall Remedy), or that the recipient wants to repair but allegedly does not have the time to do so. This feedback provides valuable information on the hurdles to Remedy for the remaining un-remedied vehicle owner population, allowing for tailored action plans to be developed for each response to ultimately have the Recall Remedy performed.<sup>3</sup>

<sup>&</sup>lt;sup>2</sup> commercial.safeairbags.com

<sup>&</sup>lt;sup>3</sup> Of note, the Recall Remedy completion percentage is well above 90% for the majority of Priority Groups. https://www.nhtsa.gov/equipment/takata-recall-spotlight#completion-rates

# 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>4</sup>, similar letters have been mailed or are anticipated to be mailed in the coming months in Texas (its second mailing), New York (its fifth mailing), Alabama (its third mailing), California (its second mailing), and Arizona. 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

A total of 156,701,133 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:

<sup>&</sup>lt;sup>4</sup> Louisiana, Michigan, New York, Mississispi, 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.

Channel	<u>Volume</u>	Total Appointments
Direct Mail Pieces	27,836,855	46,086
Emails	16,332,402	1,788
Outbound Calls	10,472,559	102,131
Digital/Facebook Impressions	101,939,101	65
Tagging <sup>6</sup>	113,502	5,654

# d. Overall Results

The Settlement Special Administrator and Outreach Program vendors have performed outreach resulting in a total of 335,105<sup>7</sup> appointments and "warm transfers" to allow consumers to schedule appointments directly with dealers, and 769,333 Recall Remedies have been completed since the transition of outreach to the Settlement Special Administrator and Outreach Program vendors.<sup>8</sup>

### 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

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

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.

Reconsidering 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.

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

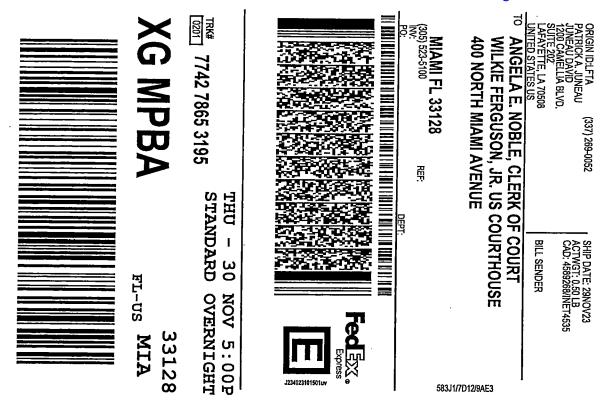
convenience.

/s/ Patrick A. Juneau

PATRICK A. JUNEAU

Settlement Special Administrator

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