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

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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. 18 FILED NOVEMBER 14, 2022

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 2022.

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

In the coming months, in addition to recurring themes discussed in prior Status Reports and the continued use of handwritten elements which have consistently driven high response rates, the Settlement Special Administrator and Outreach Program vendors plan to rotate in some materials which have previously been deployed successfully as well as some new outreach pieces, given that fresh material regularly results in an uptick in response rates, despite that the recipients of these outreach materials have often received numerous prior mailings, phone calls, etc. regarding the Takata recall.

First, a "Simple Visual" mailer will be rolled out in the coming weeks, which depicts the call-to-action visually in three straightforward steps to quickly grab the attention of the recipient and explain what they need to do to have the Recall Remedy performed: 1) call to schedule an appointment, 2) bring the vehicle to the appointment, and 3) have the Recall Remedy completed. This explanation of how simple it is to actually have the Recall Remedy performed helps to overcome the recipients' perceived hurdles to having their vehicles repaired, *e.g.*, the process is too confusing or takes too much time.

Additionally, while the holiday season in November and December has traditionally been a period of relatively low Remedy Rates given the clutter of mailboxes with advertisements, the Settlement Special Administrator and Outreach Program vendors will this year try to use that to their advantage, by utilizing shiny silver bubble envelopes for delivery of some of its recall

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notifications. This type of noticeable packaging should cut through the mailbox clutter, drawing the recipient's attention to it and the recall notification contained therein.

Furthermore, in the coming months, the Settlement Special Administrator and Outreach Program vendors will be deploying a new strategy aimed at "commercial" owners of three or more affected vehicles. Considering that these owners are differently situated than individual recipients, these mailings and emails will provide the commercial owner with the business's count of vehicles affected by the Takata recall, along with the business's own login information to the Outreach Program's website where that owner can view additional information about the recall affecting those vehicles, find the nearest locations to have the Recall Remedy performed, and provide updated information around any of the vehicles the recipient may no longer own. These mailings will also be supported by an outbound phone campaign to further bolster the legitimacy of the recall and its severity.

# 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 New York (its fourth mailing), New Hampshire, New Mexico, and Massachusetts. The fact that several states

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<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, and Puerto Rico.

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 130,340,685 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	<u>Volume</u>	Total Appointments
Direct Mail Pieces	19,560,445	28,509
Emails	11,162,907	1,176
Outbound Calls	5,520,512	71,457
Digital/Facebook Impressions	93,999,394	53
Tagging <sup>4</sup>	90,714	4,765

## d. Overall Results

The Settlement Special Administrator and Outreach Program vendors have performed outreach resulting in a total of 269,947<sup>5</sup> appointments and "warm transfers" to allow consumers to schedule appointments directly with dealers, and 650,449 Recall Remedies have been completed

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<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.

since the transition of outreach to the Settlement Special Administrator and Outreach Program vendors.<sup>6</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 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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<sup>&</sup>lt;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.