

**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
BMW, HONDA, MAZDA, NISSAN, SUBARU,
AND TOYOTA DEFENDANTS**

**REPORT BY THE SETTLEMENT SPECIAL ADMINISTRATOR ON THE
IMPLEMENTATION OF THE OUTREACH PROGRAMS PURSUANT TO THE BMW,
HONDA, MAZDA, NISSAN, SUBARU, AND TOYOTA SETTLEMENT AGREEMENTS**

STATUS REPORT NO. 8 FILED FEBRUARY 28, 2020

The Settlement Special Administrator of the BMW, Honda, Mazda, Nissan, Subaru, and Toyota 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 applicable provisions of the Settlement Agreements. Consistent with this, the Settlement

¹ The data and information contained in this report is generally as of January 2020.

Special Administrator and Outreach Program Vendors regularly confer and communicate with the 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

Over the last several months, the Settlement Special Administrator and Outreach Program Vendors, in consultation with the automobile manufacturers, have suspended the use of the segmented creative assets following the end of the testing and analysis periods described in previous reports. In conjunction with the support of the manufacturers, the Outreach Program is expected to continue segmenting the targeted consumer population, focusing on age, income, and ethnicity, which were observed to be significant key driving factors in relation to repair rates.

Furthermore, the owner population will be segmented into tranches based on the number of outreach attempts that consumers have previously received related to the Takata recall. Doing so will allow the Outreach Program to determine and tailor the best method and message to contact those individuals in the future based on the volume of communications they have received yet still not had their inflator(s) replaced. Lastly, the Outreach Program is expected to incorporate the use of various targeted methods of less traditional direct outreach such as over-the-top media (for example, internet television streaming services) and influencers through social media.

In the fall of 2019, the Settlement Special Administrator also began testing a “bursting” strategy whereby owners are contacted several times through several different channels within a compressed timeframe, in an effort to elevate the severity and importance of the recall.

Also, in December 2019, the Settlement Special Administrator and Outreach Program Vendors created and deployed holiday-themed cards and emails to affected consumers. These creative assets emphasized keeping family and friends safe during the upcoming holiday season when many individuals are traveling by automobile. The envelope of the card also appeared to be a greeting card in an effort to cut through clutter, junk mail, and advertisements that flood consumers' mailboxes in December.

CARD FRONT



CARD BACK



Your [YEAR] [Model] has a **defective Takata airbag**.

We know the holidays are busy, so we strive to make your no cost recall repair as quick and easy as possible.

Just follow these *three simple steps*:

1. Call or text "Fix" to [XXX-XXX-XXXX].
2. Pick a time that works for you.
3. Complete your recall repair for **FREE**.

Please, schedule your **FREE** recall repair **before** your holiday road travel, [XXX-XXX-XXXX].

*A free loaner vehicle, towing service or other alternate transportation may be available to minimize your inconvenience while your vehicle is being repaired.

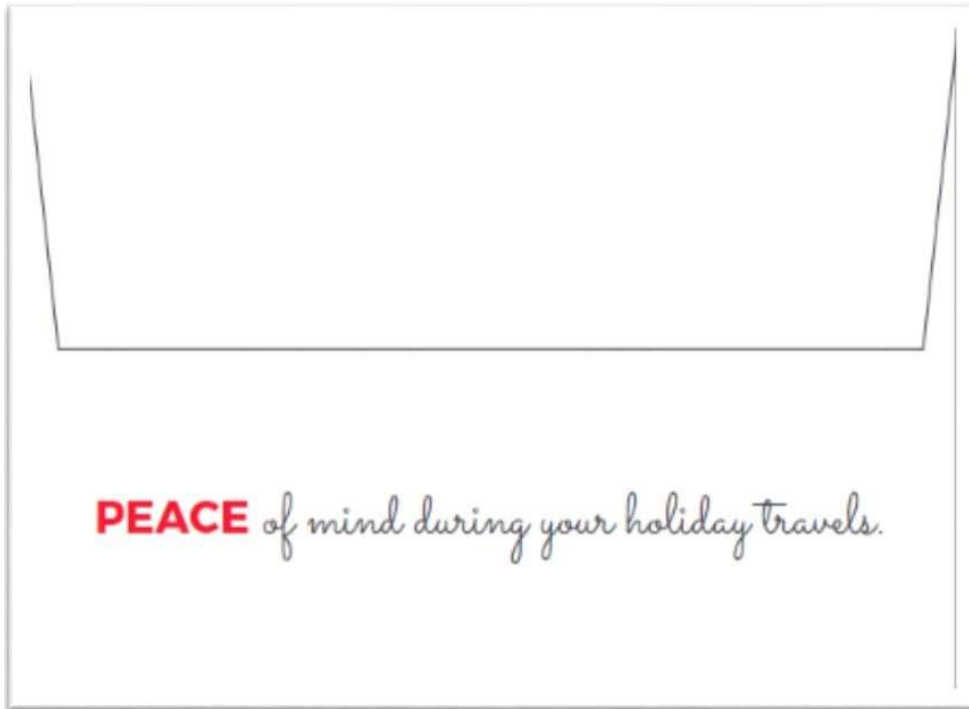
 

ENVELOPE FRONT



[Name]
[Address]

ENVELOPE BACK



In February 2020, and with the support of the manufacturers, the Settlement Special Administrator is also beginning to deploy a “concierge” program in its call center. This program will be designed to bring an end-to-end solution and experience for consumers, with specific owners/vehicles being assigned to specific call center agents who will work with those owners until the recall remedy is completed. These concierge call center agents will personally follow up with the individual consumers with appointment reminders and post-appointment check-ins, and will be assigned direct phone lines, personalized email address, and individual voicemail boxes so that the concierge call agents are easily accessible to the consumers that they are assisting through the recall remedy process.

Also in Quarter 1 of 2020, the Settlement Special Administrator is launching a “missed appointment” re-engagement plan whereby the Outreach Program will monitor consumers who have scheduled a recall remedy appointment but not showed up at the dealership to have the

remedy completed. This will prompt follow-up mail, email, and outbound phone calls to those consumers in an effort to have their appointment re-scheduled.

Lastly, the Settlement Special Administrator plans to launch a pilot campaign focused on commercially-owned vehicles affected by the Takata recall. The pilot will utilize dedicated, highly-trained call center agents who will specialize in the handling of commercial businesses and the multiple vehicles they own, which situations present unique logistical difficulties not present with the typical individual consumer.

b. Continued Efforts with State Departments

As reported, the Settlement Special Administrator, the automobile manufacturers, and the Independent Monitor for the Takata recalls 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 repair completed. In addition to the states in which these letters have previously been mailed², letters were recently mailed in Arkansas, Florida, Georgia, Pennsylvania, and South Carolina³. Additionally, similar letters are anticipated to be mailed in Quarter 1 of 2020 in Connecticut, New Hampshire, Ohio, Tennessee, and Vermont. The Settlement Special Administrator, the automobile manufacturers, and the Independent Monitor for the Takata recalls 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.

³ The Settlement Special Administrator and the Outreach Program's public relations team coordinated with the South Carolina Department of Motor Vehicles and South Carolina Department of Public Safety, as well as the National Highway Traffic Safety Administration and the Independent Monitor for the Takata recalls, to pitch the effort to local news and media outlets in advance of the letter mailing in order to alert as many consumers as possible of its importance so that they take action when the letter is received in the mail.

A total of 169,583,681 outbound deployments have been made by the Settlement Special Administrator and Outreach Program Vendors to affected consumers. These deployments are broken out by channel below:

<u>Channel</u>	<u>Volume</u>	<u>Total Appointments⁴</u>
Direct Mail Pieces	68,765,382	922,438
Emails	46,443,885	35,184
Outbound Calls	24,263,624	249,868
Digital (Facebook) Impressions	30,110,790	73 ⁵

d. Overall Results

The Settlement Special Administrator and Outreach Program Vendors have performed a total of 1,207,563 appointments and “warm transfers” to allow consumers to schedule appointments directly with dealers, and 4,134,133 recall remedies have been completed since the transition of the Outreach Programs to the Settlement Special Administrator and Outreach Program Vendors⁶.

2. Additional Activities and Efforts

In ongoing consultation with the Parties, the National Highway Traffic Safety Administration, and the Independent Monitor of the Takata recalls, the Settlement Special

⁴ The Overall Appointment Rate metric used in prior reports measured the number of appointments relative to the total number of distinct vehicles contacted since the beginning of the Outreach Program. In light of the significant time and effort that has been expended in contacting many of the same vehicles numerous times, this report will now reflect the total number of Appointments, which removes the variability in the population of distinct vehicles contacted and provides a more accurate measure of appointment growth over the future of the Outreach Program.

⁵ Social media deployment such as Facebook 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 phone calls.

⁶ 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. Furthermore, as mentioned, consumers often schedule repair appointments directly with their local dealerships rather than by calling the Outreach Program’s call center to do so. As such, the total recall remedy completion count presented herein cannot be attributed solely to those 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.

Administrator has also undertaken several other activities to be performed in addition to and in conjunction with direct outreach to consumers.

In early August 2019, the Settlement Special Administrator launched a national mass media campaign featuring Morgan Freeman as its spokesperson, described in further detail in prior Reports. This media campaign ended in the middle of November. To capitalize off of this mass media effort through other contact channels, the Settlement Special Administrator also conducted mailings that included letter inserts with Morgan Freeman imagery imploring consumers to appreciate the urgency of the Takata recall and schedule an appointment to have the recall remedy performed. Similar Morgan Freeman video and messaging has been utilized in targeted social media outreach as well. The Settlement Special Administrator currently anticipates re-launching a media campaign sometime in the first quarter of 2020.

In terms of earned media, the Settlement Special Administrator and Outreach Program Vendors have continued deploying public relations materials to news outlets throughout the Zone B states and are now beginning to move into other areas. Phase Two of their deployment which began in December 2019 includes expansion into various metro markets that have relatively high rates of un-remedied inflators, including Atlanta, Dallas, Detroit, Houston, Los Angeles, Miami, Nashville, Phoenix, and San Francisco. Beginning in the first quarter of 2020, the team also will focus on print, online, and broadcast Hispanic outlets in Arizona, California, Florida, New York, and Texas.

In total as of December 2019, B-roll news footage has run over 1,500 times across over 30 states; the news syndicate press releases have run in 215 publications across 20 states; and nearly 40 print/online stories have been generated across United States. Furthermore, there have been

over 1,500 stories and release placements related to the Morgan Freeman mass media campaign described above.

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

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on February 28, 2020 I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify the foregoing document is being served this day on all counsel of record via transmission of Notice of Electronic Filing generated by CM/ECF.

/s/ Matthew P. Weinshall

Matthew P. Weinshall