

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

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

STATUS REPORT NO. 14 FILED JANUARY 13, 2022

The Settlement Special Administrator of the BMW, Ford, 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 the applicable provisions of the Settlement Agreements. Consistent with this, the Settlement

¹ The data and information contained in this report is generally as of the mid Q3 2021.

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

As discussed in prior reports, remedy completion totals by manufacturer continue to climb, thus making the incremental effort and cost necessary to continue to remedy vehicles continue to increase as well. In order to combat this, the Settlement Special Administrator and Outreach Program vendors have undertaken several unique approaches to outreach.

These efforts include continuing to utilize full hand-written letters which, due to their personalization, have proven to be very effective in driving response rates relative to type-written letters with otherwise consistent information. Furthermore, following data-driven learnings that the packaging or envelope utilized for the mailings has a high correlation with response and therefore remedy rates, the Settlement Special Administrator and Outreach Program vendors continue to utilize large-sized envelopes and even package-type mailings to cut through mail clutter and attract the recipient's attention, which is even more important considering that many of these vehicle owners have received and ignored dozens of mailings at this point. With this in mind, mailings are being conducted using a UPS-style envelope to test whether it provides increased lift relative to more standard 6 inch by 9 inch envelopes.

As per prior reports, the Outreach Program has also engaged vendors to identify vehicles with open Takata recalls on the road, after which point the vendor places a recall notification on the vehicle and provides to Outreach Program vendors the location where the vehicle was sighted.

This unique form of outreach has many benefits. First, it confirms the general geographical location of the vehicle, which helps inform the usage of various addresses received from differing data sources so that Outreach Program vendors can focus mailings on the addresses nearest that sighting and therefore most likely to result in remedy. Furthermore, this method of outreach guarantees that the recall notification actually reached the affected vehicle itself as well as its driver, which combats the risk that owner address information for a given vehicle owner may not be correct. Early indications are that it provides significant lift in remedy rates relative to traditional mail, especially in higher risk Priority Groups which are heavily saturated with numerous outreach attempts over the last several years.

Lastly, the Settlement Special Administrator and Outreach Program vendors are in the process of rolling out several new initiatives, including dealer-branded assets as well as mailings asking recipients whether they still own the affected vehicle and, if they do not, providing a way for them to notify the Outreach Program accordingly (which again helps ensure that mailings are being directing to correct vehicle owners so that outreach is as cost-effective as possible). Furthermore, the Settlement Special Administrator and Outreach Program vendors have undertaken “mystery shopping” efforts in which call agents contact local dealerships to schedule a Recall Remedy appointment. This information can then be relayed back to the participating automobile manufacturers so that dealership performance can be continually improved, given how essential the dealership role is in the ultimate completion of the Recall Remedy cycle. Lastly, the Outreach Program has developed creative video assets to be used in outreach over internet and social media channels, such as streaming television and video, email, social media, etc.

b. Continued Efforts with State Departments

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 repair 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 are anticipated to be mailed in the coming months in Idaho, Virginia (its second mailing), Pennsylvania (its second mailing), and California. 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 562,239,685 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:

<u>Channel</u>	<u>Volume</u>	<u>Total Appointments</u>
Direct Mail Pieces	192,426,685	1,784,383
Emails	125,586,982	67,350
Outbound Calls	49,234,665	451,242
Digital/Facebook Impressions	194,916,230	83 ³
Tagging ⁴	75,123	3,033

² Louisiana, Michigan, New York, Mississippi, Alabama, Kentucky, Wisconsin, Minnesota, North Carolina, Virginia, Arkansas, Florida, Georgia, Pennsylvania, South Carolina, Ohio, Nebraska, Tennessee, Florida, and Texas.

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.

d. Overall Results

The Settlement Special Administrator and Outreach Program vendors have performed a total of 2,334,395 appointments and “warm transfers” to allow consumers to schedule appointments directly with dealers, and 9,102,337 recall remedies have been completed since the transition of outreach to the Settlement Special Administrator and Outreach Program vendors⁵.

2. Additional Activities and Efforts

In ongoing consultation with the Parties and the National Highway Traffic Safety Administration, the Settlement Special Administrator has also undertaken several other activities to be performed in addition to and in conjunction with direct outreach to consumers. In terms of earned media, the Settlement Special Administrator and Outreach Program vendors have continued deploying public relations materials to news outlets throughout the areas mentioned in prior Status Reports. In total as of early August 2021, B-roll news footage has run 1,667 times across over 40 states, and 122 print/online stories have been generated across United States. The Settlement Special Administrator’s public relations team continues to focus its activities in states in which DMV-type letters are being deployed to support the effectiveness of those mailings.

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

⁵ 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 their local dealerships 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.

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 January 13, 2022 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