

# *Agency Issues Ultimatum on Nationwide Recalls to Airbag Maker Takata*

By DANIELLE IVORY / NOV. 26, 2014 / New York Times

In a continuing standoff over the recall of defective airbags, federal safety regulators have demanded that Takata, the Japanese supplier of automotive parts, expand the recall nationwide, beyond the limited geographic area it currently covers.

The National Highway Traffic Safety Administration told Takata in a letter on Wednesday that it had until Tuesday to expand the recalls, which cover driver's-side airbags, or face further legal action and civil penalties.

The recalls of vehicles with Takata airbags have mostly been limited to two states, a commonwealth and a territory associated with high humidity, which can cause the airbags to explode violently when they deploy, sending metal fragments flying. Some automakers, including Honda, have expanded their recalls to other regions as well.

"Despite the severe consequences of airbag ruptures and mounting data demonstrating a safety defect, Takata responded that it did not agree with N.H.T.S.A.'s basis for a nationwide recall of driver's-side airbags," wrote Frank S. Borris, the director of the agency's Office of Defects Investigation.

A week earlier, the safety agency publicly urged a national recall of affected vehicles, and the Senate held a hearing on the airbags. The agency, which originally agreed to the limited recall in June that covered Florida, Hawaii, Puerto Rico and the Virgin Islands, said that it learned of an airbag rupture in North Carolina in August in a 2007 Ford Mustang that injured that car's driver. That model was part of the June recall, but North Carolina was excluded.

In his letter, Mr. Borris said that Takata must submit a report to the agency, identifying the defect in the airbags, regardless of where vehicles are registered or operated. If the company does not supply the information by Tuesday, the agency may proceed to legal steps for forcing a recall, including scheduling a public meeting, and begin to seek civil penalties of as much as \$7,000 per violation.

A Takata spokesman said that the company did not immediately have a comment.

The letter did not call for any action on passenger-side airbags, which have been included in other Takata recalls but not in the June recall. At last week's Senate hearing, several lawmakers called for Takata to include those airbags as well.

N.H.T.S.A.'s letter to Takata came a day after the safety agency demanded that Chrysler expand the scope of its recall to include a broader region.



David Friedman, deputy administrator of the National Highway Traffic Safety Administration, testifying at a Senate hearing.

In a letter to Sergio Marchionne, Chrysler's chief executive, David J. Friedman, the agency's deputy administrator, said it was unreasonable for Chrysler to limit its airbag-related recall to Florida, Hawaii, Puerto Rico and the Virgin Islands.

Mr. Friedman also said the pace of the recall had been too slow and cited the Senate testimony of Scott G. Kunselman, a Chrysler vice president for safety and regulatory compliance, who said the company did not intend to begin its owner notification program until Dec. 19 because of a lack of replacement parts.

"Chrysler's delay in notifying consumers and taking other actions necessary to address the safety defect identified is unacceptable and exacerbates the risk to motorists' safety," Mr. Friedman said.

Mr. Friedman asked that Chrysler expand the recall and provide a schedule for notifying customers no later than Monday.

On Wednesday, Mr. Kunselman responded to the letter and said that the company would start contacting customers about the recall on Dec. 8. As for the expansion of the recall, Mr. Kunselman said a corporate committee would consider the request and make a determination promptly after its review on Tuesday.

The deadlines set for Chrysler and Takata by the safety agency come just days before the House Energy and Commerce Committee is set to hold a hearing to investigate the faulty

airbags. Mr. Friedman is expected to testify at that hearing on Dec. 3, along with representatives from Takata, Honda, Toyota and BMW.