

U.S. says 85 million Takata airbags may still face recall

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Reuters



Technician Edward Bonilla with a recalled Takata airbag inflator after it was removed from a Honda Pilot at the AutoNation Honda dealership in Miami, Fla., in June 2015. Honda, which has been Takata's largest customer, has replaced about 5.4 million inflators -- more than half of those it had recalled through December.

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WASHINGTON -- U.S. auto safety regulators said on Wednesday there are about 85 million unrecalled Takata airbag inflators in U.S. vehicles that would eventually need to be recalled unless the company can prove they are safe.

<http://www.autonews.com/article/20160413/RETAIL05/160419943/u-s-says-85-million-takata-airbags-may-still-face-recall>

This is the first public accounting by the U.S. government of the total number of unrecalled Takata airbag inflators. So far 28.8 million inflators have been recalled by 14 automakers.

The airbags can explode with too much force and spray metal shards inside vehicles. More than 100 people have been injured in the United States and 11 killed worldwide in incidents linked to defective Takata inflators, including the March 31 death of a 17-year-old driver in Texas.

Reuters reported on Feb. 22 that there were 70 million to 90 million unrecalled Takata airbag inflators in the United States, citing a person briefed on the matter. Under an agreement signed last year, Takata Corp. has until 2019 to demonstrate that all of the unrecalled airbag inflators are safe.

A U.S. House panel is set to hold a hearing with the head of the National Highway Traffic Safety Administration and auto trade groups on Thursday, and the Takata recall and other safety issues are expected to be raised.

NHTSA said on Wednesday that potentially defective Takata airbags still on the road include 43.4 million passenger side inflators, 26.9 million side airbag inflators and 14.5 million driver side inflators.

Analysts have estimated that if Takata is found to be solely responsible for the fault in the inflators, now the subject of several industry investigations, it could face a bill of more than \$3.5 billion for inflators recalled to date.

Takata declined to comment on the issue today.

The company reached an agreement with NHTSA in November to pay a \$70 million penalty to the agency in a settlement that included its commitment to stop making inflators that use ammonium nitrate by 2018. It also pledged to declare all remaining ammonium nitrate inflators defective by 2019 unless it can demonstrate they are safe.

Reuters reported in the same Feb. 22 story that Takata produced between 260 million and 285 million ammonium nitrate-based inflators

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worldwide between 2000 and 2015, of which nearly half wound up in U.S. vehicles.

Takata has begun looking for a financial backer amid a global recall of its airbags, and plans to draw up a list of candidates by August, two people familiar with the matter said on Tuesday.

Takata is also considering overhauling its management structure and selling overseas subsidiaries as part of a restructuring, other sources have said.

Foot-dragging

The supplier has been widely criticized for dragging its feet in identifying airbag inflators that needed to be recalled, and for providing incomplete and inaccurate data to transport authorities and automaker customers.

A Tokyo-based spokesman for Honda Motor Co., which so far has recalled the largest number of vehicles over the issue, said that the automaker would cooperate with authorities to take swift and appropriate action if additional recalls are announced.

Japanese transport authorities said they did not have estimates for unrecalled Takata airbag inflators globally or in Japan, where 12 million have been recalled to date.

Honda, Toyota Motor Corp. and other automakers have said they will stop using Takata airbag inflators in new models. Some have also been sourcing replacement inflators from alternative suppliers.