

**Statement of John Bozzella
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Before the
Subcommittee on Commerce, Manufacturing and Trade
House Committee on Energy and Commerce
June 2, 2015

“An Update on the Takata Airbag Ruptures and Recalls”

I appreciate the opportunity to appear before you today.

Global Automakers represents international automobile manufacturers that design, build and sell cars and light trucks in the United States. Our members sold 43 percent of the new vehicles purchased in the United States last year, and produced 40 percent of all vehicles built here. Individually and jointly our member companies are committed to working toward a future in which there are zero highway fatalities. The safety of Americans traveling on our roadways remains a priority.

Mr. Chairman, this hearing presents an opportunity to further this important discussion on improving auto safety. The Takata recall is an unprecedented situation. The number and age of affected vehicles and number of manufacturers involved, along with the sophistication and complexity of the technology, makes this unique. As such, affected automakers are taking extraordinary measures to locate and communicate recall information to vehicle owners so that they know to take their vehicles in for repair.

Our members have gone far beyond what the law requires. They are distributing multiple rounds of recall notices. They are sending express mail to ensure that the notifications are not discarded. They are using multiple platforms such as advertising, social media, and electronic communications. Importantly, they are working closely with their dealer networks to ensure that dealers have the capacity to service vehicles with open recalls.

Of course, recall campaigns are only one component of creating a safer driving environment. The Takata recall highlights the complex nature of the industry and the challenges we face today. In addition to recalls, the auto industry, this Committee, regulators, engineers and other experts in the field have been working diligently to improve vehicle and highway safety. Critical areas of focus include proper oversight of existing safety systems, the development and introduction of new technologies, and driver and passenger behavior.

This Committee, through its authorship of the TREAD Act, has given the National Highway Traffic Safety Administration (NHTSA) the ability to require reporting and tracking of safety-related data that better allows us to identify problems in the existing fleet of vehicles, and to address and solve them. In part, the number of recalls that have occurred in recent years is evidence that the requirements of the TREAD Act, NHTSA's ongoing vigilance, and manufacturers' commitment to safety are advancing the goal of improved vehicle safety.

Automakers are now deploying advanced technologies which will accelerate the move from crash survival to crash avoidance – including forward collision warning and braking, and soon, vehicle-to-vehicle and vehicle-to-infrastructure communications. According to the Department of Transportation, vehicle-to-vehicle communications, when fully deployed, could address 80 percent of crashes involving unimpaired drivers.

A holistic approach to vehicle and highway safety must include driver and passenger behavior. This requires addressing the issues of impaired driving, driver distraction, and driver error through technologies such as warning systems and also through education and enforcement.

Human behavior also plays an important role in a voluntary recall system.

For newer vehicles, the recall completion rate is upwards of 80 percent. The completion rate falls dramatically as vehicles age. This is a key challenge in resolving the Takata recall and raises an important question: are there limits to the success of a voluntary system?

Global Automakers and our members are exploring ways the industry can achieve better outcomes. We are working with NHTSA officials and are happy to talk with you about new methods for getting useful, effective and actionable recall information to our customers, such as including recall notifications in annual vehicle registration processes.

Mr. Chairman, it is important to keep in mind that highway safety is improving. This past December, NHTSA announced that traffic fatalities decreased by 3.1 percent over the previous year, and by nearly 25 percent since 2004.

However, there is clearly more work to be done.

Regarding the Takata recall, the most important thing we can do right now is to make sure people are aware of the status of their vehicle. Every vehicle owner should go to safercar.gov and enter the VIN – vehicle identification number – to determine whether any additional action is needed. This needs to be done now – and it needs to be done several weeks from now when manufacturers will have posted the specific VINs of the vehicles that have just been added to the recall list.

Global Automakers and our members will continue to work toward our mutual goal of 100 percent recall completion and zero traffic fatalities.

Thank you again for the opportunity to appear before you today.

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