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November 5, 2014

Frank Borris
Director, Office of Defects Investigation
National Highway Traffic Safety Administration
U.S. Department of Transportation
1200 New Jersey Avenue SE
Washington, DC 20590

Dear Mr. Borris:

This letter is in response to the questions contained within the October 29, 2014 letter received from Deputy Administrator David Friedman regarding the actions Honda has been taking in response to the safety risk posed by certain Takata driver and passenger airbags.

As we have consistently expressed in previous communications, our first concern is the safety of our customers. Honda shares NHTSA's concerns about the serious safety risk posed to the driving public by the potential for rupture of these Takata driver and passenger airbag inflators. Importantly, to prevent further ruptures we continue to make efforts to encourage owners of affected vehicles to take immediate action to have their vehicle serviced at an authorized dealership.

Honda recognizes the continuing efforts made by NHTSA to investigate the scope and cause of energetic deployments of Takata airbags in vehicles made by Honda and other manufacturers. We have been taking, and will continue to take, action consistent with the words of the Deputy Administrator to "aggressively and responsibly" respond to the issues related to the energetic deployments of Takata airbags. In that regard, consistent with the urging in your letter, Honda has recently expanded our overall evaluation by retaining a leading engineering consulting firm with multi-disciplinary expertise, to supplement the continuing investigation of this matter. Throughout the process of these campaigns we have worked actively with NHTSA staff to share information about our efforts, including much of that which is contained in our responses here to your questions.

Honda has worked continuously to identify recall and campaign populations based on our analysis of evidence obtained from detailed testing, inspections and detailed analyses provided by Takata of airbag inflator product and process records. Honda has met with the agency regularly to update you on this analysis, and, since 2008, has voluntarily initiated six recall campaigns related to Takata airbag inflators. This year, the NHTSA Safety Improvement Campaign to investigate whether a defect exists in Takata airbag inflators in certain areas of

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high absolute humidity was initially limited to the states of Florida and Hawaii and the U.S. territories of Puerto Rico and the Virgin Islands. However, from the beginning, Honda voluntarily broadened the scope to include Alabama, California, Georgia, Louisiana, Mississippi, South Carolina and Texas. We will continue to investigate these issues aggressively and responsibly with the goal of completing our and your understanding of the cause of these ruptures and the most effective means of avoiding future rupture events.

Following are responses to the specific questions from Deputy Administrator Friedman:

- 1. a) The steps we are taking to expedite Takata's production of replacement inflators include the following:
 - Daily meetings with Takata to share demand information and discuss their supply of inflators.
 - Working with Takata to adjust weekly production schedules based on the previous week's part demand from repairs completed at our dealerships.
 - Working with Takata to stock additional inflator sub-components such as wire harness, to improve ordering flexibility and to expedite shipments of materials and sub-components from their suppliers.
 - b) We are working with Takata to explore all avenues for additional supply of inflators to repair the airbags. Alternative suppliers are one consideration and we will provide updated information if and when we identify alternatives.
 - c) We have taken steps within our parts center network to accelerate the delivery of replacement parts to dealer repair facilities, including air shipping parts to dealers within 24 hours.
 - d) Honda and Acura Parts and Service representatives are encouraging all dealers to assure that they have sufficient technical and clerical personnel to facilitate repairs.
- 2. Generally, and at current repair volume, dealers tell us that they have sufficient service capacity to repair the vehicles. We have requested that Honda and Acura dealers extend their service hours, including remaining open on weekends, to handle increases in customer demand, and we continue to encourage this support. Additionally, we have expanded our loaner car program for dealers.
 - 3. In addition to our standard written communications to owners whose vehicles are included in an open recall, we have taken additional steps to ensure our customers are informed of the current recalls of Takata airbags. We have updated our web sites to provide the most current information available, including the addition of a message to our customers on the Honda.com, recalls.honda.com, owners.honda.com,

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automobiles.honda.com, acura.com and owners.acura.com homepages. We have communicated that Honda has a customer service procedure that addresses individual customer needs and concerns and encompasses, as appropriate, the replacement of airbags and the provision of or reimbursement for temporary alternative transportation. We continue to update this site as new information becomes available.

- In connection with this issue, Honda will continue to address individual customer needs, including the provision of or reimbursement for alternative transportation, as appropriate. To date, we have had no significant shortage of parts to repair vehicles. However, in October and the first few days of November of 2014 Honda has made available or reimbursed owners for more than 3,000 loaner or rental vehicles.
- 5. Over the past seven years, Honda has supported Takata's testing and analysis of ruptures of driver and front passenger airbag inflators. These analyses began almost immediately after reports of three events occurring in 2007 and continue to this day. Takata has shared the results of these analyses regularly with Honda and those discussions have informed Honda's field action decision making. As a part of this effort Honda has provided recovered recalled parts to Takata. Some of these parts have been used in destructive teardown inspections, some have been deployed and the remainder stored for future analysis as needed. Data from these inspections, tests and analyses have been and will continue to be provided to NHTSA.

In addition Honda has collected "healthy parts" from the field to support Takata's comparative inspection, testing and analysis. Collection of both deployed and non-deployed parts from salvage yards has also occurred for similar comparative analyses.

Takata has shared with Honda the results of its testing of parts recovered through these methods, including chemical analysis of materials, metallurgical analysis, microscopic analysis of fracture surfaces, weld seam analysis, tape seal analysis, analysis of the degree of and effect of moisture gain, recreated failure mode testing, leak tests, propellant density testing and crush testing, air leak testing after thermal cycling, and recreation of the failure modes seen in field events. Analyses of recovered components have been compared on the basis of time from propellant manufacture to rupture and environmental characteristics of the region of origin. These analyses have been integrated into Takata's fault tree analyses for both driver and passenger rupture root cause analyses.

As they are reported to Honda, all rupture event parts Honda has been able to obtain have been, and are, being inspected. Data on all confirmed ruptures is being provided to NHTSA as it comes to Honda. Honda continues to welcome NHTSA's participation in timely inspections of event vehicles and components.

Takata manufacturing records related to event propellants, inflators and modules have been and continue to be analyzed by Takata, as well as records from non-event and

non-suspect lots. These analyses include component data as well as process data, allowing comparison of propellant characteristics and potential effects of manufacturing process differences. Lot acceptance data from density and crush tests, hydro-burst tests, helium leak tests and other quality checks for event and non-event lots has been analyzed and those analyses have been shared with Honda through the FTA process.

Takata's efforts and analyses have been shared with Honda through a series of meetings at which Takata presentations were made. These presentations have been shared by Honda with NHTSA staff. We provided to you on March 1, 2012 the presentation materials which were presented by Honda in our January 26, 2012 meeting with NHTSA. In addition, Honda has provided to NHTSA the presentation materials from each meeting with NHTSA on this issue since January, 2012.

- 6. Please refer to the materials referred to in Honda's response to Request 5.
- 7. Please refer to the materials referred to in Honda's response to Request 5.
- 8. Please refer to the materials referred to in Honda's response to Request 5.
- 9. Excluding vehicles recalled prior to 2013, for which root causes have been identified, the number of vehicles covered by recall, still in service and remedied as of October 30, 2014, is as follows:

| NHTSA ID | Total Affected | In Operation (known to date) | Repair Completed | |
|--------------------------|-------------------------------|---|------------------|--|
| 13V-132 (pass. side) | 561,422 | 558,613 | 192,197 | |
| 14V-349 (pass. side) | 988,440 | 988,440 | 10,797 | |
| 14V-351 (driver side) | 2,803,214 | 2,803,214 | 72,466 | |
| 14V-353 (pass. side) | 698,288 | 698,288 | 13,395 | |
| Note: | inflator also affected veh | A large percentage of the vehicles requiring repair of a passenger airbag inflator also require repair of a driver airbag inflator. As a result, the total affected vehicle population is less than the sum of all affected components reflected in this table. | | |

10. Prior recalls of Honda vehicles with Takata driver and front passenger airbag inflators were based on the identification of production process failures during manufacturing of those inflators, not defects in design. As a result, the countermeasures for the identified defects were of the nature of process improvements and controls. The ongoing quality

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control processes, including Takata's line acceptance testing of airbag inflator propellant and other components, is used to validate those manufacturing process changes, which were included as part of the production of replacement parts.

Honda will work cooperatively with NHTSA to provide the requested updates to this information on a weekly basis.

Please let me know if you have questions.

Sincerely,

AMERICAN HONDA MOTOR CO., INC.

Jay Joseph

Assistant Vice President Product Regulatory Office

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