

Via Email

October 30, 2020

Office of the Chief Counsel
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
W41-220 West Building
1200 New Jersey Ave., SE
Washington, DC 20590

Re: Dispositioning of Airbags Retrieved Through the Salvage Process

Pursuant to the June 6, 2019, email instructions from Kara Fischer of NHTSA's Office of Chief Counsel, American Honda Motor Co., Inc. (Honda) provides the following explanation in support of its dispositioning of certain VINs affected by the Takata Recall under the "other" category specified in 49 C.F.R. § 573.7(b)(5). Specifically, this submission relates to VINs as to which Honda has recovered and received the recalled airbag inflator from the salvage network through its partnership with Rebuilders Automotive Supply (RAS).

As the Agency knows, Honda has an extensive history in promoting innovative approaches to find and repair vehicles impacted by the Takata airbag inflator recalls. As an outgrowth of those efforts, Honda has taken steps to capture recalled airbag inflators that enter the secondary/salvage market. Honda was an early pioneer in partnering with RAS to purchase and recover recalled airbag modules from the dismantler/scrapyard network, ensuring that those modules will not be equipped in other vehicles, and will no longer pose any risk to motor vehicle safety. This "buy-back" process Honda created with RAS, now entering its 6th year, is well established and has become a model for other OEMs involved in the Takata Recall.

## <u>Airbag Retrieval Process</u>

The process through which Honda retrieves undeployed airbag modules through RAS is VIN-centric. Honda periodically provides RAS with an up-to-date listing of all VINs affected by the Takata airbag inflator recalls. That information is shared by RAS with its network of dismantlers and scrapyards. Based on this VIN information, once a participating dismantler/scrapyard identifies a VIN/airbag module within its facilities is eligible for "buy-back," RAS provides the necessary paperwork to the seller to begin the process. Historically, the required paperwork both identifies the VIN from which the airbag module was recovered and confirms that the airbag module is undeployed. An independent VIN validation is performed before the airbag is picked up from the seller. Once RAS receives the airbag module from the seller, it verifies that the VIN listed in the accompanying paperwork corresponds to a recalled vehicle. A physical inspection by RAS personnel confirms expected physical identifiers, including the particular OEM cover and expected make, model and model year fitment. This inspection also ensures that the inflator has not been deployed. This activity is essential, as compensation is tied to proper VIN identification and non-deployed airbag module status.

More recently, to increase participation in this buy-back program, RAS has created a mobile application that provides the seller the option to interface with a streamlined, repeatable process. Through the mobile application, the seller can confirm VIN eligibility and provide documentation related to the vehicle, the airbag module, and any identifiable serial numbers via the camera function.

After RAS receives the retrieved airbag module and the required supporting documentation from the seller, all available information (i.e., VIN, airbag module and inflator serial numbers) is transmitted to Honda daily for record-keeping. At Honda's direction, RAS then ships the airbag module to be destroyed in such a way that, where possible, raw materials are recycled. The paperwork follows the retrieved airbag module throughout the scrapping process, ensuring traceability from beginning to end.

## "Other" Dispositioning

Honda will disposition any airbag inflators recovered through this buy-back process under the "other" category pursuant to 49 C.F.R. § 573.7(b)(5). As discussed, the retrieved airbag module from which the inflators are extracted are tied to a specific VIN involved in the Takata airbag inflator recall. Honda will utilize this "other" accounting category only as to VINs that are not otherwise dispositioned into other existing categories, such as fixed, scrapped, stolen, exported, or "out of transit" per paragraphs 45-48 of the Third Amendment to the Coordinated Remedy Order.

As of October 23, 2020, Honda has the retrieved the following number of airbag inflators eligible for "other" dispositioning pursuant to this process. Honda provides these totals according to their respective NHTSA Recall ID Number:

NHTSA Recall ID	Retrieved Airbag Inflators
16V-061	570
16V-344	7,189
16V-346	4,541
17V-029	1,204
17V-030	1,849
18V-041	9
18V-042	905
18V-661	986
18V-662	22
19V-499	61
19V-500	1
19V-501	24,680
19V-502	13

Respectfully,

AMERICAN HONDA MOTOR CO., INC.

Jeff Chang Senior Manager

Product Regulatory Office

JC:wvt

Cc: Kerry Kolodziej, NHTSA Stephen Hench, NHTSA Joshua Neff, NHTSA

Nick LaBruna, NHTSA