

News:

Office of the Assistant Secretary for Public Affairs Washington, D.C. 20590

STATEMENT BY SECRETARY OF TRANSPORTATION FEDERICO PEÑA INITIAL DECISION THAT A SAFETY DEFECT EXISTS IN CERTAIN GENERAL MOTORS C/K PICKUP TRUCKS OCTOBER 17, 1994

Today, I am announcing the Department's Initial Decision that a safety defect exists in General Motors C/K pickup trucks with fuel tanks outside the frame rails. As in any decision that involves the safety of the traveling public, we have faced many difficult issues in this case. This is a case that is virtually unprecedented, extremely complex, and highly-charged. Before going further, I want to commend the professionalism and expertise of the staff at NHTSA for their work on this matter.

BACKGROUND

Since this investigation began in December 1992, NHTSA has received and reviewed well over 100,000 pages of documents, conducted crash tests, and completed statistical and other analyses related to the alleged defect. It is that extensive investigation that has led to this decision. Today, we are distributing the Engineering Analysis Report that details the major points of this investigation. I believe that this report speaks for itself. I want to take a few minutes to discuss the major findings that served as the basis for this Initial Decision. I will then outline the process that the Department will follow over the coming weeks.

FINDINGS

First, NHTSA found that, since these GM pickups were first introduced in 1973, approximately 150 people have died as a result of side-impact fires in these trucks, in crashes that were otherwise survivable. Many others suffered serious burn injuries in such crashes.

Second, based on past trends, NHTSA projects that 32 more lives will be lost over the remaining use of the vehicles, compared to what would occur if these trucks had the same side-impact fire performance as comparable Ford pickups.

Third, NHTSA attributes this vulnerability to fatal side-impact fires to GM's design and placement of the fuel tanks outside of the frame rails of these trucks. This design was selected for marketing reasons, including a desire to increase fuel capacity and driving range, a feature GM believed appealed to certain drivers. But, because the tanks are outside of the frame rails, they do not have the protection offered by the frame rails.

Fourth. NHTSA's review of police accident reports of side-impact fatal crashes with fires in these GM trucks demonstrates that they occurred at speeds less than those required to cause sideimpact fires in comparable Ford pickups.

Fifth, and of critical importance in this matter, is the evidence that GM was aware, possibly as early as the mid-1970's but certainly by the early-1980's, that this design made these trucks more vulnerable and that fatalities from side-impact fires were occurring. However, GM chose not to alter the design for 15 years.

It is also important to note that the National Traffic and Motor Vehicle Safety Act places manufacturers under two broad mandates: first, to meet applicable safety standards in producing vehicles; and second, to produce vehicles that operate safely in real-world conditions. Meeting a safety standard does not absolve a manufacturer of its responsibility to produce safe vehicles.

DECISION-MAKING PROCESS

This investigation opened in December 1992, in response to a petition submitted by the Center for Auto Safety and Public Citizen in August of that year. I first became involved in the matter in April 1993, when there was no senior appointee at NHTSA. The Safety Act assigns the responsibility for carrying out these investigations to the Secretary. In general, these responsibilities have been delegated to senior officials at NHTSA. However, due to the complexity and degree of public concern over the alleged defect, those officials brought this issue to me. At that point, I assumed the role of the decision-maker in this process, and will continue to do so. Since he joined NHTSA, Deputy Administrator Chris Hart has provided some factual analysis. But, I made the judgment call in this case. Dr. Ricardo Martinez, the new Administrator, recused himself from this matter, and has not played a role.

Under the Safety Act, manufacturers must conduct a recall campaign if their vehicles contain a defect that relates to motor vehicle safety. Consistent with the law, the analysis of whether a defect exists in this case has focused on two primary questions: first, is there an increased risk associated with the alleged defect; and, if so, is that risk unreasonable?

The investigation to date has demonstrated that the answer to both questions is yes. The record clearly shows that there is an increased risk associated with these GM pickups, and leads me to conclude at this point that that risk is unreasonable.

This initial conclusion is supported by these key factors:

- Unlike many of the investigations that NHTSA conducts, this case involves not only serious injuries, but a significant number of fatalities, in crashes that were otherwise survivable.
- There is evidence that GM was aware of the increased risk associated with this design at the time that the vehicle was introduced, but did not take steps to provide adequate

protection. In addition, despite mounting evidence of a safety risk over the intervening years, GM did not move the tanks inside the frame rails until model year 1988. An alternative design, similar to that used by its competitors, was available, and could have addressed the problem for little or no cost. Instead, GM management in place at that time appears to have made a decision favoring sales over safety. As Secretary of Transportation, charged with overseeing the safety of our highways and all other modes of transportation, I believe that auto manufacturers can and should do better than that, especially when safer and viable alternatives exist.

MOVING FORWARD

As required under law, the next step is for the Department to conduct a public proceeding to allow all interested parties to provide additional information and arguments on the issues raised by this investigation. This proceeding will be chaired by NHTSA Deputy Administrator Chris Hart, and will be held in Washington beginning on Tuesday, December 6. I want to ensure that this process is open and fair to everyone, and that we have as much relevant information as possible before moving on to the next decision.

I also recognize that consumers may continue to be confused over the status of these trucks. It is my intention to bring this work to a conclusion as quickly as possible after the public meeting.

I again want to note that this case has been a very difficult and complex one. There has been a great deal of discussion and various views about it in many quarters. But, based on NHTSA's technical analysis, this was my decision to make.

In closing, let me say that there is a new management team at General Motors, which was not in place at the time that these decisions were made. It's a new generation of leadership that has demonstrated its commitment to new ways of thinking and acting. I sincerely hope that they'll work with us to address this problem.

Thank you.