
CENTER FOR AUTO SAFETY

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Center for Auto Safety – What It Is & What It Does Annual Report 2015

Background

The [Center for Auto Safety](#) (CAS) is a nonprofit 501(c)(3) research and advocacy organization founded by Consumers Union and Ralph Nader in 1970 to provide consumers with a voice for auto safety and quality and to provide information to consumers on how to purchase the best motor vehicle to meet their needs. Although CAS has a staff of less than a dozen people, its work is supported by approximately 15,000 members across the United States, and it is nationally recognized as a leader in the areas of automobile safety, environment and consumer protection.

Mission

The Center works on all aspects of automobile ownership and use ranging from pure economic issues such as anti-competitive overcharges in new vehicle prices, packed options, excessive tags, title and license fees to issues in safety defects, fuel efficiency, safety standards, secret warranties. Our mission is to improve the safety, efficiency, reliability and cost to the consumer of a vehicle. Beyond the consumer, our mission is to reduce motor vehicle deaths, injuries and crashes and the automobile's impact on the environment. Our goal is Zero Vision Traffic Deaths by the year 2050.

Finances

During our latest audited fiscal year, July 1, 2014, through June 30, 2015, our total expenses were \$552,364 of which \$479,182 or 88% were for program expenses. A copy of our audited financial statement for FY 2014-15 is available at: [CAS Financial Statement](#).

Benefits to Consumers

Since our founding 46 years ago as a voice for consumers to take on the giant auto companies, first in Washington and then across the country, the Center has made many strides for consumers. Among our many accomplishments are:

- ✓ Airbags in every vehicle
- ✓ Lemon laws in every state
- ✓ Free repairs in safety recall law
- ✓ Passage of fuel economy standards
- ✓ Landmark lawsuit upholding Clean Air Act recalls
- ✓ Saved tire tread wear grading standards
- ✓ Exposed secret warranties saving consumers billions
- ✓ Kept price of lead-free gasoline down to 1 cent more than leaded for first three years
- ✓ Legal victories mandating bridge inspections and construction zone safety rules
- ✓ Recall of Ford Pinto, Firestone tires, GM Ignition Switch & Takata airbag inflators
- ✓ Child seat registration system

- ✓ Lawsuit requiring direct tire pressure monitors in cars
- ✓ Law requiring tough new school bus safety standards
- ✓ Laws against texting and talking on cell phones while driving in over 30 states
- ✓ Law requiring Technical Service Bulletins be published that expose defects and secret warranties.

Vehicle Safety

Vehicle safety is the Center Auto Safety's most important and largest project. CAS Vehicle Safety Staff petition the National Highway Traffic Safety Administration (NHTSA) for stronger standards and investigations into dangerous defects. Other Vehicle Safety activities include testifying before Congress and Federal agencies, suing the government when it refuses to enforce federal laws and regulations on auto safety, and publicizing vital safety information through news releases, books and other means.

During 2014-15, much of the Center's activities focused on four vehicle safety issues: [Toyota Unintended Acceleration](#), [GM Ignition Switch](#), [Jeep Fuel Tanks](#) and [Takata Airbag Inflators](#).

Since the mid-1980's, CAS has worked to reduce the incidence of sudden unintended acceleration (SUA) in vehicles. CAS was among the first to discover that when Toyota went to electronic throttle controls (drive-by-wire) phased in beginning with 2003 models, complaints of unintended acceleration in Toyota and Lexus vehicle with electronic throttle controls quadrupled. CAS kept pressure on NHTSA and Toyota and got 10 million vehicles recalled for sticking gas pedals and jamming floor mats. We still seek a recall for electronic defects causing SUA. As a result of its work on this issue, CAS testified four times before Congress on Toyota defects and the need to reform vehicle safety laws. CAS' work culminated in a \$1.2 billion fine by the Justice Department against Toyota in 2014.

CAS continues to find NHTSA withholding information every year on many vital safety issues ranging from airbag safety to vehicle defects. Often this withholding was due to auto makers claiming the information was confidential. CAS files numerous Freedom of Information Act (FOIA) requests every year to protect the public's right to know about safety information on their vehicles. One major FOIA project forced NHTSA to release information on roof crush information that should be placed in the public docket and ensured a strong rule was issued. Another major FOIA forced NHTSA to release information on its research into the death toll caused by cell phone use which is just as deadly as drinking and driving. Present FOIA projects are aimed at forcing NHTSA to release its records on vehicle defects obtained under the Early Warning Reporting (EWR) System required to be set up under the TREAD Act after the Ford-Firestone crisis in 2000. CAS reached a tentative settlement of a FOIA lawsuit against the Treasury Department that will result in the release of 155,000 pages of emails between Treasury's Auto Task Force and GM/Chrysler regarding the GM and Chrysler bankruptcies. The Treasury Department continued to release the documents on a rolling basis. After completion of Treasury's production, CAS filed a Motion for Summary Judgment in January 2015 that resulted in a [Court Order](#) in September 2015 that ensured release of all but a handful of the 155,000 pages initially withheld on GM and Chrysler bankruptcies by Treasury.

An example of CAS' relentless pressure to obtain information to get safety recalls is that we forced Honda to expand a small recall of less than 4,000 Honda Civics in 2008 for airbag inflator modules that sent shrapnel into drivers to five more recalls of over two million Hondas' and Acura's in 2009 through 2012. See: <http://www.autosafety.org/honda-adds-273000-vehicles-long-running-air-bag-recall> and <http://www.autosafety.org/cas-letter-nhtsa-re-honda-airbag-inflator-recalls>. These small recalls opened up what became one of biggest mass auto defects ever – Takata airbag inflator modules that explode like grenades and send shrapnel into vehicle occupants. At least 10 people were killed by this defect with over 19 million vehicles being recalled by 10 manufacturers for nearly 30 million defective inflators with the recall numbers still climbing as more defective inflators are discovered. Ultimately, 50 million inflators made from highly unstable ammonium nitrate will be recalled.

In 2013, CAS obtained a recalls for the Jeep Grand Cherokee and Liberty with fuel tanks behind the rear axle that explode like old Ford Pinto. But the recall remedied negotiated behind closed doors by Chrysler-Fiat CEO Sergio Marchionne, DOT Secretary Ray LaHood and NHTSA Administrator David Strickland was totally ineffective. At least 47 people have died in fire crashes of these Jeeps with 23 deaths confirmed to be by fire not trauma since NHTSA's staff valiantly requested a real recall in June 2013 that the cabal above rejected without any staff present at O'Hare airport in Chicago. CAS continues to track Jeep fire deaths just since June 2013 which are more than twice the 10 know Takata airbag deaths in the US since Takata introduced inflators with deadly ammonium nitrate propellant. The total number of deaths in 1993-07 Jeeps investigated by NHTSA now stands at over 500.

One of the most lethal defects ever uncovered by CAS was the ignition switch on 2003-07 Saturn Ions, 2005-07 Chevrolet Cobalts, 2006-07 Chevrolet HHRs & Pontiac Solstice, 2007 Pontiac G5, and 2008 Saturn Sky. The ignition switch torque performance resulting in key movement out of the "Run" position and non-deployment of airbags in a crash event. Over 174 people were killed by this defect which GM concealed for 11 years before it was discovered and recalled. Yet no one from GM went to jail or was even charged with criminal homicide. The Justice Department left GM off with a \$900 million fine and a deferred criminal prosecution that goes away after 3 years.

Safe Climate Campaign

During the past year, the Safe Climate Campaign, a Project of the Center for Auto Safety, played a leading role in the successful effort to implement strong fuel efficiency and emissions standards adopted by the Obama Administration. These standards are the single biggest step any nation has taken to cut oil use and global warming. The annual emissions cuts will yield a standard of 54.5 mpg by 2025. This is a major victory in the campaign to curb the United States' contribution to global warming that will pay increasing dividends in years to come. The new standards will save 1.5 million barrels of oil a day, and keep 280 million metric tons of carbon out of the atmosphere in 2030. The Safe Climate Campaign used administrative advocacy as well as op-ed columns, press interviews and statements to draw attention to the economic and environmental benefits of clean cars, and to hold the auto industry accountable. Its op-eds appeared in at least 40 newspapers and Web sites, including The New York Times, the Los Angeles Times, and the Huffington Post.

Publications & Communications

Whether it's authoring books, preparing consumer information packages or appearing on national news, getting vehicle safety and reliability information out to the public is one of the Center's most important missions. During 2015, CAS staff appeared on more television programs than any other auto safety group in American. We continue to publish the award winning Car Book ever year. The Car Book has detailed ratings and information on every new car every year to help consumers buy safe and reliable cars. The West Group, the leading legal publisher in the country, relies on CAS to write the leading treatise on government regulation of the auto industry.

In 2015, CAS continued to expand and update its Website which provides streaming media videos so that the public could get see the projects on which CAS was working. At the same time, the Website was expanded to provide detailed information on and easy to use links to individual state lemon laws plus a lemon lawyer locator as well as an expert locator. CAS created a vehicle dossier on our website that provides in-depth make and model information <http://www.autosafety.org> so consumers can find out everything from videos of crash tests to recalls to technical service bulletins on cars they own or purchase. We took NHTSA data bases and made them far more user friendly and incorporated them in our vehicle dossier. In recognition of the value of our Website to consumers, the National Highway Traffic Safety Administration has created a link from their Website to ours to enable more consumers to take advantage of the information that CAS can provide.

Lemonaide

CAS evaluates every state's lemon law and provides every state attorney general with the results. CAS made specific recommendations on how individual states could strengthen their lemon laws. A number of states responded positively to CAS' recommendations and asked for CAS input on implementing and revising their laws which CAS did during the year. CAS addressed the National Association of Lemon Law Administrators (the group of state officials responsible for state lemon law enforcement) to build on this effort to improve state lemon laws and administration and continues to provide information and advice to them.

CAS continues to pressure auto makers to take responsibility for economic defects that the NHTSA does not consider to be safety defects. For example, CAS was successful in getting Ford to take action on a wide range of defects in the 2000-02 Ford Focus. All told the Focus had 11 safety recalls and 4 service campaigns. See www.autosafety.org/article.php?scid=&did=309.

CAS has investigated engine oil sludge in a wide range of vehicles including the infamous 1997-2004 Chrysler vehicles with 2.7L 4-cylinder engines with the objective to get every manufacturer to at least match Toyota who agreed to extend the warranty on engine oil sludge failures to 8 years, unlimited miles on its 3.0L V6 and 2.2L 4-cylinder engines. Since then, CAS was successful in getting Saab and VW to match Toyota with a 8 year, unlimited mileage warranty for oil sludge.

CAS also investigated [Chrysler's Totally Integrated Power Module](#) (TIPM). Chrysler began installing the TIPM in a wide range of vehicles beginning in the 2007 model year that number in the millions. Thousands of owners have reported a wide range of serious safety failures related to the TIPM to CAS, NHTSA and complain forums such as carcomplaints.com. Consumers report frequent vehicle shutdowns with no restart capability on the highway, airbag non-deployment, random horn, headlight, taillight, door lock, instrument panel and windshield wiper activity, power windows going up and down on their own, failure of fuel pump shutoff resulting in unintended acceleration, and fires. A California District Court approved a landmark class action settlement on 2012-13 Grand Cherokees and Durangos that obtained reimbursement for the \$1,100 to \$1,200 repair cost of a TIPM-7 module and for the cost of rental cars. The Settlement Agreement was contingent on Chrysler doing a safety recall of the 2012-13 Jeep Grand Cherokee and Durango. The class action forced the recall. NHTSA never opened an investigation into stalling on Chrysler vehicles with defective TIPM-7 module despite the part going on national backorder in 2013.

CAS launched a campaign to get rental car companies to conduct repairs for safety recalls before renting them by [petitioning the Federal Trade Commission to investigate Enterprise Rent-A-Car](#) for renting out a PT Cruiser with an unremedied p/steering leak safety recall that led to the death of two sisters in California, Raechel and Jacqueline Houck. Their mother Cally Houck, aided by Consumers for Auto Reliability and Safety, led a relentless campaign to get a federal law named after Cally's daughters barring rental of vehicles unless all safety recalls had been completed.

Membership

CAS' strength as an advocacy organization has always come from its members and individual consumers. Our very first Lemon Book in 1970 was based on 4,000 complaints to Ralph Nader about their "bad cars." Since then we have received over 500,000 complaints from consumers on vehicle problems. Today, CAS has about 15,000 members who firmly support our mission of holding the government and industry responsible for safe, reliable and efficient motor vehicles. Anyone can [become a supporter of CAS](#).

Membership in CAS is a form of "lemon insurance." Stephen Licata of Pasadena used his CAS lemon insurance when he got a bad paint job on a Ford Taurus. He took Ford to small claims court and got \$2,000 plus court costs. He wrote CAS: "Thank you for standing up for the average consumer. Your organization and the small claims court process really impressed my wife, an immigrant from Peru and one of America's newest citizens." Many consumers who are not members also benefit from CAS' campaigns. Shawn Hines of Michigan wrote about his 2000 Dodge Intrepid: "My engine failed and I spoke to a member of ISG and my problems were solved. I was given enough to get a new engine and then some. They were very nice to me and resolved my problem within 3 days. Thank you Center for Auto Safety."

Board of Directors

The Center's Board is comprised of members who have expertise in the fields of auto safety, legal affairs, technology and public health. Board Members actively participate in the conduct of program and fiscal affairs at the Center for Auto Safety by attending 3 board

meetings per year, reviewing and approving the annual budget and regular financial reports and receiving regular information updates on Center activities. The Board consists of the following members in FY 2015

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