



PRESS RELEASE

Attorney General Frosh Announces \$85 Million Settlement with American Honda Motor Company, Inc. and Honda of America Mfg., Inc.

BALTIMORE, MD (August 25, 2020) – Maryland Attorney General Brian E. Frosh today announced a more than \$85 million multistate settlement with American Honda Motor Co., Inc. and Honda of America Mfg., Inc. (collectively “Honda”), over allegations Honda concealed safety issues related to defects in the frontal airbag systems installed in certain Honda and Acura vehicles sold in the United States. The systems were designed and manufactured by Takata Corporation, a long-time Honda supplier, and were first installed in Honda vehicles in the 2001 model year. Today’s settlement stems from an investigation led by an 11-state executive committee composed of Maryland, Arkansas, Connecticut, the District of Columbia, Florida, Georgia, New Jersey, Oregon, South Carolina, South Dakota, and Texas, and that included a total of 48 state and territory attorneys general.

The settlement reached between the attorneys general and Honda concludes the states’ investigation into Honda’s alleged failure to inform regulators and consumers that the frontal airbags posed a significant risk of rupture, which could cause metal fragments to fly into the passenger compartments of many Honda and Acura vehicles. The ruptures have resulted in at least 14 deaths and over 200 injuries in the United States alone.

“Honda’s alleged conduct impacted millions of consumers -- everything from recalls to injury, and even death. Going forward, this settlement is designed help prevent additional injuries and deaths,” said Attorney General Frosh.

The states alleged that Honda engineers suspected that the airbags’ propellant, ammonium nitrate, could burn aggressively and cause the inflator to burst. Despite these concerns, Honda delayed warning consumers or automobile safety officials, even as it began partial recalls of affected vehicles in 2008 and 2009. Further, Honda continued to represent to consumers that its vehicles, including its airbags, were safe. Since 2008, Honda has recalled approximately 12.9 million Honda and Acura vehicles equipped with the suspect inflators.

The states alleged that Honda’s actions and failures to act, as well as its misrepresentations about the safety of its vehicles, were unfair and deceptive, and that Honda’s conduct violated state consumer protection laws, including the Maryland Consumer Protection Act.

Under the terms of the consent judgment, which was filed today in the Circuit Court for Howard County, Honda has agreed to strong injunctive relief, which, among other things, requires it:

1. To take steps to ensure that future airbag designs include “fail-safe” features to protect passengers in the event the inflator ruptures;
2. To adopt changes to its procurement process for new frontal airbags, to ensure that its suppliers have the appropriate industry certifications and satisfy key industry performance standards, as well as improve record-keeping and parts tracking;
3. To implement recurrence prevention procedures designed to prevent a tragedy like this from happening again, such as requiring that Honda approve all new frontal airbag designs *before* the company will consider them for use in new Honda vehicles;
4. To abide by prohibitions on misleading advertisements and point of sale representations regarding the safety of Honda’s vehicles, including the airbags; and
5. To make improvements in critical areas such as risk management, quality control, supplier oversight, training and certifications, and implementing mandatory whistleblower protections.

Honda also agreed to pay the participating attorneys general a total of \$84,151,210.15.

In addition to Maryland and the other states comprising the executive committee -- Arkansas, Connecticut, the District of Columbia, Florida, Georgia, New Jersey, Oregon, South Carolina, South Dakota, and Texas – the attorneys general of Alabama, Alaska, Colorado, Delaware, Guam, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New York, North Carolina, North Dakota, Northern Mariana Islands, Ohio, Pennsylvania, Rhode Island, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming participated in the settlement.

Consumers who own a Honda or Acura vehicle are strongly encouraged to visit Honda’s airbag recall website at <https://hondaairbaginfo.com/>, or call its Customer Service toll-free number at (888) 234-2138, to see if their vehicle is subject to a recall. Consumers may also check for open recalls by going to www.Safecar.gov. All safety recall repairs are FREE at authorized Honda dealers. Consumers with questions about this settlement may call the Consumer Protection Division at 410-528-8662 or write to: Consumer Protection Division, 200 St. Paul Place, 16th Floor, Baltimore, MD 21202.