## Opening Statement Rep. Bart Stupak, Chairman Committee on Energy and Commerce Subcommittee on Oversight and Investigations "Update on Toyota and NHTSA's Response to the Problem of Sudden Unintended Acceleration" May 20, 2010

Today's hearing will serve as a progress report on where Toyota and the National Highway Traffic Safety Administration (NHTSA) are in terms of diagnosing and correcting SUA events. We will also examine what Toyota has done since our February 23<sup>rd</sup> hearing

During our February 23<sup>rd</sup> hearing we heard from Toyota Motor Sales President Jim Lentz, Department of Transportation Secretary Ray LaHood, consumer advocate Sean Kane and from an expert witness - Professor David Gilbert of Southern Illinois University - about sudden unintended acceleration (SUA) in Toyota vehicles. We also heard from Rhonda and Eddie Smith about an experience with sudden unintended acceleration in their Lexus. Committee members asked many questions but we were left with more questions than answers.

Toyota engaged in damage control almost immediately following our hearing by continually asserting confidence that extensive testing proves the safety of the electronics systems and attacking those who disagree with them. But as Chairman Waxman noted in his opening, the record doesn't support Toyota's statements that it conducted extensive testing. The truth is that we don't know whether electronics plays a role in sudden unintended acceleration and Toyota doesn't know either. What's disappointing to me is learning that Toyota seems to have focused more on discrediting its critics than on solving the problem.

When Dr. Gilbert testified before this subcommittee in February, he explained that he had found a way to induce sudden unintended acceleration in a Toyota vehicle without triggering an error code in the vehicle's computer. Committee staff have spoken with several academics who describe Dr. Gilbert's experiment as "sensible," and a "reasonable" way to begin to study unintended acceleration. Dr. Christian Gerdes ("Ger-Dess"), a professor at Stanford University who Toyota asked to review Dr. Gilbert's work, told the Committee staff that Dr. Gilbert's approach was a "legitimate starting point" for a more in-depth inquiry into the causes of sudden unintended acceleration.

Unfortunately, Toyota appears to have been more interested in messaging than scientific inquiry. After the hearing, Toyota hired a public relations firm to advise the company on its public response to lawsuits claiming that electronics plays a role in sudden unintended acceleration.

We know from the Committee's investigation that the PR firm, Benenson Strategy Group (or BSG), conducted a poll to learn more about what Toyota could do to repair damage to the company's image among educated consumers known as "opinion elites." A presentation from Benenson Strategy Group shows that, among the "Key Findings" from the poll, Toyota learned the following:

Debunking Kane/Gilbert's testing will be critical for restoring confidence among Elites and reassuring audiences that [electronic throttle control] is in fact NOT an issue.

## [DOCUMENT: MARCH 5 TRACKING RESEARCH RESULTS]

We reviewed an undated BSG document showing the results from another Toyota poll to test some aggressive messages for possible use in future public statements or advertising. This poll referred to Dr. Gilbert's experiment as "phony," "shoddy science," a "hoax," and a "parlor trick" that "would never happen in real life."

## [DOCUMENT: FINAL DEBUNKING MESSAGES]

BSG summarized the results from this new poll in a presentation, dated March 8, 2010, suggesting that Toyota should try to damage Dr. Gilbert's credibility by accusing him of having "monetary or self interested motives."

## [DOCUMENT: TOYOTA DEBUNKING KANE/GILBERT MESSAGE STUDY]

Toyota told the Committee that the company did not follow its pollster's suggestion to attack Dr. Gilbert, but the documents suggest otherwise. On March 8, a Monday, Toyota held a press conference and released a report by Exponent criticizing Dr. Gilbert's work. Two days before the press conference, the vice president of Toyota's public relations firm noted in an email to a colleague the importance of finishing the poll before this event, saying:

[W]e really, really need to get this done, especially with elites. Toyota has a press conference on Monday and need our data to know what to say. (DOCUMENT: MARCH EMAIL RE: TIMING OF POLL)

At that press event, before Exponent presented its findings, Toyota spokesman Mike Michels disparaged Dr. Gilbert's work and said it was "paid for by an advocate for trial lawyers."

The Exponent report on Dr. Gilbert's research was a hit job, not solid science. Exponent confirmed the key conclusion that Dr. Gilbert had drawn in his report, but then disparaged Dr. Gilbert for not testing the likelihood of the faults he identified, even though Exponent never did this analysis either. Exponent added new steps to Dr. Gilbert's experiment and mischaracterized others, all in an attempt to make his outcome seem unlikely and to invent flaws in his analysis. But independent experts have defended Dr. Gilbert's approach, including a Stanford University professor who reviewed the report at Toyota's request and described Dr. Gilbert's experiment as a "perfectly reasonable starting point."

When I look at Toyota's approach, I do not understand why the company is attacking Dr. Gilbert for trying to identify a root cause of sudden unintended acceleration. This company ought to be undertaking a comprehensive review and encouraging automotive experts to come forward with their ideas for what could be causing the problem. Based on the Committee's review of Exponent's work for Toyota in this regard, we remain concerned that this is not occurring.

The Committee asked Toyota and Exponent to produce all reports, analyses or communications describing the results of Exponent's work for Toyota related to unintended acceleration or electronic throttle control. We also asked for all contracts, agreements, memoranda or correspondence concerning the scope of Exponent's work for Toyota. From the responses, we have learned that the only direction for additional studies resides in the minds of Exponent employees. It appears that Exponent's only public written work to date is an incomplete interim study and a report attacking Dr. Gilbert's credibility. I find this extremely troubling given the fact that Toyota and Exponent have both informed the committee they are taking a comprehensive look at the issue of sudden unintended acceleration in Toyota and Lexus vehicles.

To be fair, Toyota has made progress on processing their recalls. They have completed 80% of the sticky pedal recalls, and they have completed 30% of their floor mat recalls. They have also made some management changes that we hope will lead to improved safety culture.

One of the most significant improvements that Toyota could make would be to install brake override technology in all of their vehicles. Brake override technology ensures that if both the accelerator and the brake are pressed at the same time, the brake will override the accelerator. Toyota told the Committee that, beginning in 2011, all vehicle models will have this feature, but the company is being more selective about which older models will receive the software upgrade. Despite the fact that installing brake override technology on older vehicles would cost only \$50 per vehicle, Toyota does not plan to offer this option (even at the owner's expense) to owners of certain models. I look forward to hearing why Toyota won't offer brake override to their customers with older vehicles even if the customer pays for it.

Since our February hearing NHTSA and Toyota appear to have improved their working relationship. NHTSA officials tell us that Toyota has shown more willingness to address issues of concern.

NHTSA has informed us it has commissioned two studies to examine unintended acceleration in vehicles. The first is a study to be conducted by NASA scientists who will examine Toyota's electronic throttle control systems for possible problems associated with their hardware and software. This report is targeted to be completed by the end of August.

The second study will be conducted by a panel of independent scientists selected by the National Academy of Sciences (NAS). The NAS study will offer a comprehensive examination of unintended acceleration and electronic vehicle control systems across all automobile manufacturers. This study should be completed by fall of 2011.

I'd like to thank both Mr. Strickland and Mr. Lentz for their testimony today and for their ongoing cooperation with the Committee's investigation. Mr. Lentz, we appreciate Toyota and its outside counsel, Ted Hester, for the company's responsiveness to our several requests for documents and for substantive briefings. I wish that I could say we received the same level of cooperation from Toyota's consultant Exponent. Unfortunately, Exponent has withheld responsive documents and information from the Committee, and has even modified responsive documents before producing them to us, in direct violation of the Committee's instructions. It's ironic that the firm Toyota has hired to conduct an independent investigation has behaved like it has something to hide from this Committee.