

DEPARTMENT of QUALITY CONTROL

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MEMORANDUM

To: Tom Watkins
From: Dustin Ingram
Date: October 6, 2009
Subject: Airbag Design Test Results - GM Decision, 2011 Model

Mr. Watkins,

I am writing to you in regards to the recent developments in the test results for the 2011 model airbag; specifically, those prepared for the upcoming proposal to General Motors. I am concerned for both the quality of the product, as well as the reputation of the company, as represented by our airbags.

Our tests have shown that while all airbags tested from a relatively large sample size inflated on impact, approximately one-tenth of these tests showed sub-optimal inflation rates. Specifically, one in ten airbags failed to inflate to full capacity, instead inflating to an average of sixty percent. You will find enclosed a more detailed analysis of these results, as well as the corresponding data.

In terms of use, such “failed” airbags would still protect passengers from most of a collision’s impact, but the passengers might receive more injuries than they would receive with fully functioning airbags.

While such standards of quality may meet our specifications, it is my professional opinion that they will likely not meet GM’s rigorous certification process. GM will likely have extremely high expectations of the product’s quality, especially considering their past issues with other contractors regarding similar failures.

At this stage, the amount of time and cost to make sure the airbags are reliable and safe is undetermined. Currently, we are taking initial steps to verify our testing procedure, to determine

whether new testing might show different results. If so, the recollection of relevant data will take at most two days.

I urge you to temporarily postpone your proposal until we can determine the validity of the errors, as well as the predicted time to solve the problem, if one is found. It is possible that only a minor modification needs to be made, bringing the product to 100 percent functionality within a week's time; however, it is also possible that the redesign will take months—it is too early to tell.

Regards,

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