



Exploding air bag lawsuits headed to federal court in Miami

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MIAMI (AP) - Lawsuits filed around the U.S. seeking damages for allegedly defective auto air bags made by Japan's Takata Corp. have been consolidated before a Miami federal judge.

A federal panel on multidistrict litigation decided Thursday to combine the cases for pretrial rulings before U.S. District Judge Federico Moreno, a former chief judge in the southern Florida district who has served on the federal bench since 1990.

More than 70 potential class-action lawsuits have been filed claiming the air bags are defective because they can explode and cause injury or death with flying debris. At least five deaths have been linked to Takata air bags.

"This litigation is nationwide in scope," U.S. District Judge Sarah Vance, chief federal judge in New Orleans, said in the panel's ruling.

Most of the lawsuits claim unspecified economic damages stemming from the lost value of the vehicles containing the air bags. None of the current cases seek damages for personal injury, but some could be added later, according to the panel's order. Nine are currently pending around the country.

If the lawsuits go to trial, they would be sent back to the districts in which they were originally filed. There is no estimate on the total potential damages faced by Takata.

Attorney Peter Prieto of Miami's Podhurst Orseck law firm, who filed one of the first Takata lawsuits in the nation, said consolidation "will ensure that all of these cases move forward efficiently and expeditiously." He called Moreno a judge with "significant experience in complex litigation."

A key legal question is whether Takata knew of the defect but did not disclose that knowledge to regulators, according to court papers. The company has said it is still trying to identify the cause.

The lawsuits also name several major automakers, including Honda Motor Co., BMW of North America, Ford Motor Co. Nissan North America Inc., Subaru of America and Toyota Motor Sales USA.

About 12 million vehicles in the U.S. and about 19 million globally have been recalled because of problems with Takata air bags. Millions more vehicles have been recalled because of unrelated air bag problems, such as inadvertent inflation while vehicles are running but not involved in an accident.

Takata announced this week it is projecting a \$264 million loss for the fiscal period ending in March, worse than the previous forecast of a \$214 million loss.

There are more than 30 million Takata air bags in the U.S. and 100 million worldwide. The company controls about 20 percent of the world's air bag and seat belt market.

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