

CBS
CBS Evening News

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DAN RATHER, anchor:

Tonight's Eye on America digs deeper into a story we first reported last year about a record liability judgment for the death of a child in a Chrysler minivan. What was not widely known at the time and what CBS' Anthony Mason now reveals, is how far Chrysler had gone to head off a costly and embarrassing safety recall of its best-selling vehicle.

ANTHONY MASON reporting:

This is where Sergio Jimenez died in 1994. This is how the six-year-old South Carolina boy was killed. Sergio's parents say their Chrysler minivan was hit crossing the intersection. The rear gate popped open. Sergio was thrown out. His skull was crushed. The family sued Chrysler, claiming the rear-gate latch was defective.

Unidentified Man #1: The latch can ride up and over it.

MASON: In October, the Jimenezes won the biggest judgment ever against an automobile company--\$262 1/2 million.

The Jimenez case also revealed this series of confidential Chrysler documents that made a lasting impression on the jury. Critics say the documents portray a corporate giant ready to pull out all the stops to protect its most profitable product, ready even to manipulate the government agency that was threatening to order a recall.

NHTSA, the National Highway Traffic Safety Administration, had already conducted its own crash tests on Chrysler minivans. Watch the result: On side impact, the rear latch failed, the passengers flew out.

Mr. PHIL RECHT (NHTSA Deputy Administrator): This problem led to over 135 separate incidents of ejection, approximately 90 injuries, close to 40 fatalities.

MASON: NHTSA warned Chrysler that preliminary tests on its '84 to '94 minivan latches showed, quote, "a safety defect that involves children." The alarm sounded at Chrysler. A government-ordered recall would threaten \$2 billion a year in minivan profits. The company chairman, Robert Eaton, was warned in an internal memo: 'If we want to use political pressure to try to squash a recall letter, we need to go now.'

(Excerpt from videotape)

Unidentified Man #2: Have you ever tried to squash an investigation?

Mr. ROBERT EATON (Chairman, Chrysler): No, sir.

(End of excerpt)

MASON: When Eaton testified on videotape in the Jimenez trial, he didn't remember the memo.

(Excerpt from videotape)

Mr. EATON: Nor--nor to my--to my knowledge, was there any activity whatsoever to squash a recall letter because obviously we didn't get a recall letter. It was...

Man #2: Because you squashed it.

Mr. EATON: Definitely not, sir.

(End of excerpt)

Ms. JOAN CLAYBROOK (Consumer Advocate): It's obvious that--that Chrysler will do anything to stop this recall.

MASON: Joan Claybrook is a former head of NHTSA.

Ms. CLAYBROOK: They're willing to use political pressure or--or anything else to figure out how to stop the Department of Transportation from requiring them to recall these minivans.

MASON: So Chrysler went to Capitol Hill. A month later, another minivan latch memo to Chairman Eaton reported, quote, "We've been working on a letter with Hill staff." In the margin, a handwritten note, 'Hopefully, this won't leak.' But Eaton testified he had no idea what 'Hill staff' meant.

(Excerpt from videotape)

Man #2: But--but you know that the Hill staff are people who work for congressmen and senators on the Hill, right?

Mr. EATON: Very likely, but it could be some man or woman by the name of Hill.

(End of excerpt)

MASON: In fact, it was Congressmen John Dingell and Mike Oxley, whose committee controlled NHTSA's pursestrings. Just as NHTSA was considering a Chrysler recall, the agency received this letter from the congressmen, pointedly challenging its recall policy. The letter questioned NHTSA's practice of making preliminary data public, rather than waiting for conclusive findings. Written with Chrysler's help, the letter never mentioned the latches. But the congressmen clearly intended to chill the minivan investigation, according to Joan Claybrook.

Ms. CLAYBROOK: Dingell and Oxley framed their letter as a policy matter, but everyone knows that it's all about the minivan. These members of Congress wanted to stop a recall on behalf of one of their constituents, Chrysler Motor Company.

MASON: The congressmen and Chrysler declined to be interviewed on camera. They insist the letter was only intended to address broad NHTSA policy and that they did nothing improper.

NHTSA deputy administrator Phil Recht, who received the letter, did agree to speak with us on camera.

Mr. RECHT: I did not view this letter as any attempt to affect the outcome of--of this case.

MASON: But you felt no pressure at all from that letter?

Mr. RECHT: It really had no impact on us.

Unidentified Man #3: Today we are announcing an unprecedented action.

MASON: Nevertheless, just two months after the congressmen wrote their letter, Chrysler and NHTSA cut a deal: No recall. Chrysler agreed to replace the old latches, but on its terms, with no admission of a defect or safety problem.

(Excerpt from videotape)

Mr. EATON: They didn't find a defect, because there isn't a defect.

Man #2: Because you talked them out of it--your company talked them out of it by saying to them, 'We'll voluntarily fix it. The deal will be...'

Mr. EATON: No. No, sir.

Man #2: '...no recall by you and we'll fix it,' right?

Unidentified Man #4: Objection.

(End of excerpt)

MASON: Chrysler is appealing the landmark \$262 million judgment. Meanwhile, 1 1/2 million Chrysler minivans with the old latches are still on the road. Despite 37 deaths and 40 pending lawsuits, Chrysler continues to insist those latches are safe. In New York, I'm Anthony Mason for Eye on America.

(Announcements)

DAN RATHER, anchor:

Our top stories tonight dealt with universal life-and-death issues in the Terry Nichols jury room and in the cloning laboratory. There is also news about our place in the universe. Scientists today report the best evidence yet a big black hole is the gravity anchor at the center of our own Milky Way galaxy. And they've found another black hole that spews tremendous energy drawn from a nearby star every 30 minutes. They call it Old Faithful. And to underscore humanity's need to know what's out there, NASA's new lunar exploring satellite was successfully launched last night and is now well on its way to try and sniff out moon minerals and hidden ponds of moon water, all part of our worlds tonight.

DAN RATHER, anchor:

That's the CBS EVENING NEWS. Here's Bryant Gumbel now with a preview of tonight's "Public Eye."

BRYANT GUMBEL (Host, "Public Eye"): Tonight on "Public Eye," we talk exclusively with Susie Coehlo, ex-wife of the late Sonny Bono; plus a Church of Scientology mystery. When a young woman died after 17 days in her church's care, her family sued for wrongful death. Now the church is fighting back. "Public Eye" tonight.

RATHER: For the CBS EVENING NEWS, Dan Rather reporting. Good night.