SETTER

Buying a Used Car? Make Sure it's Safe. New Report Finds 1 in 9 Used Vehicles Sold by AutoNation Have Unrepaired Safety Recalls

October 15, 2019

Alexander Brangman calls on Congress to make selling used vehicles with unrepaired recalls illegal and challenges AutoNation for going back on their word and now selling used vehicles with open safety recalls, like the one that killed his daughter, Jewel.



By **Herb Weisbaum**

Buying a used car is always a bit risky.

You don't know how that vehicle was driven or maintained. It could have been damaged in an accident or by flood waters. Or it could be subject to an "open" recall — a safety problem identified by the manufacturer that has not been repaired.

Don't assume the dealer has fixed the problem — or will even tell you about it, consumer advocates caution.

"While federal law prohibits dealers from selling new vehicles that are under recall until they've been repaired, it does not stop them from selling you a used car with a recall that has not been fixed," said Jason Levine, executive director of the Center for Auto Safety.

Corey Jackson was seriously injured by a faulty ignition switch in the 2008 Buick LaCrosse he bought at a Chicago-area used car lot in 2016.

Jackson says the dealer never told him the car he was about to buy had been recalled by General Motors to fix the faulty switch (that was linked to more than 100 fatalities) — and that the recall repairs had not been made.

"I know they wanted to make a sale, but don't be sleazy about it," Jackson told NBC News BETTER.

Seven months later, he crashed head-on into a tree, but the car's airbags did not deploy. Jackson's head slammed into the steering wheel and he was knocked unconscious. He suffered a broken jaw, collarbone, wrist and ankle. His hip was shattered. He's still in pain and walks with a limp, but says he feels lucky he wasn't killed.

"I lost my job, I lost my vehicle and I'm still trying to repair my life," Jackson said.

So what happened? Jackson's attorney, Michael Serra at Langdon & Emison, claims that when the car ran off the road, the faulty ignition switch went from the "run" position to "auxiliary" or "off," which shut down the airbag system.

How widespread is the problem?

Many used vehicles sold by licensed dealers have open recalls, according to a report released on Tuesday by the U.S. Public Interest Research Group (U.S. PIRG) Education Fund and Consumers for Auto Reliability and Safety (CARS).

The report focuses on AutoNation, which bills itself as "American's largest auto retailer." Researchers surveyed more than 2,400 used vehicles for sale online during July and August at 28 AutoNation locations in 16 metro areas around the country and found:

- More than one in nine (285 out of 2,429) had unrepaired safety recalls, including defective Takata airbags and faulty General Motors ignition switches.
- Even some "certified" pre-owned vehicles which had passed AutoNation's "precise inspection process" had unresolved recalls.
- Some of the recalled vehicles had a problem for which no remedy was yet available.

"You buy a car and you assume it's safe. You assume that it's gone through rigorous inspections, especially when you buy from a reputable auto dealership like AutoNation," said Adam Garber with the U.S. PIRG. "Selling a dangerous, defective car to a consumer that could put their lives at risk and put the lives of others on the road in danger is unacceptable and should not be allowed in this country."

Rosemary Shahan, <u>founder and president of CARS</u>, believes it's "a deceptive and unethical practice" for a dealer to sell a vehicle with an unrepaired recall.

"Dealers don't know when they sell someone one of these cars, if the customer will even make it home," Shahan told NBC News BETTER. "There have been cases where people have been injured or killed in an accident caused by the defect within hours, the same day that they got the car."

AutoNation responds

AutoNation says it is "in full compliance with all laws and regulations regarding recalls and with all recall directives provided by the vehicle manufacturers." In a written statement, the company went on to say that it

has "robust policies and procedures that are designed to provide a transparent buying process for our customers." These include informing customers multiple times that the vehicle they're looking at has an open recall.

NBC News BETTER spoke with Marc Cannon, AutoNation's executive vice president and chief marketing officer, who told us: "We do everything in our power to make sure the cars are fixed, to make sure we notify the customer and to make sure the customer is aware of what the recall is."

Recalls are "clearly disclosed" in the company's online advertising, Cannon said. And indeed, you will find that information, if you click on the "service history" link and look at the CARFAX report.

AutoNation also provides customers with a disclosure form to sign that lists the recall and the status of the replacement parts.

"And then we ask two or three times, 'Are you sure you want this vehicle or is there another vehicle that we can help you with?' And customers overwhelmingly tell us this is the vehicle they want," Cannon said.

Consumer advocates say disclosure is not enough.

"They're just passing the buck," said **Alexander Brangman** who is <u>calling</u> on <u>Congress</u> to make it illegal for dealers to sell used vehicles with open recalls. "Putting the responsibility on the consumer is wrong."

Brangman became a safety advocate five years ago, after his 26-year old daughter, Jewel, was killed in a fender bender in Los Angeles. A defective Takata airbag in her rental car — recalled but not repaired — exploded and sent shrapnel into her neck.

Dealers downplay the risk

Auto dealers often downplay the risks associated with selling a vehicle with an open safety recall. "Many recalls are not safety recalls," Cannon said during our interview.

"Recalls are never done for anything other than an unreasonable safety risk, period," said David Friedman, vice president of consumer advocacy at Consumer Reports and the former acting administrator of the National

Highway Traffic Safety Administration (NHTSA). "Anyone who claims a recall does not present a safety risk doesn't understand the law or they're trying to mislead the consumer."

On its website, NHTSA explains that vehicles are not recalled for cosmetic problems, rust, excessive oil use or normal wear.

<u>Listen to Herb's interview</u> with David Friedman about used car recalls.

Protect yourself

You can get a lot more car for your money when you buy used. The average buyer can save nearly \$14,500 by choosing a 3-year-pre-owned vehicle rather than its new equivalent, according to a recent analysis by Edmunds.

<u>But you've got to do your homework</u> before you buy, so you don't get a lemon.

Don't assume anything about that vehicle, regardless of what promises the dealer makes or the inspections they've done.

Before you sign any paperwork, have it checked by an independent mechanic. A CARFAX or other vehicle history report is not enough — all accidents are not reported.

And find out if that car is subject to a safety recall that has not been repaired. It's easy to do. Visit <u>SaferCar.gov</u> and enter the Vehicle Identification Number (VIN). You'll find it on the driver's side dashboard or on a sticker on the driver's side doorjamb.

"If that vehicle has an unrepaired recall, you should refuse to buy it, until it's been repaired at an authorized dealership," USPIRG's Garber said. "Don't gamble that you will have time to get it repaired after purchase."