

The W. Howard Chase Award — 2001

Organization Nominated: DaimlerChrysler Corporation

The Issue: Child Passenger Safety: DaimlerChrysler's Fit for a Kid — A free child seat inspection program

Description of the issue:

Every day millions of American children face serious injury or death in child safety seats that are not properly installed. In fact, eight out of ten children in safety seats are not buckled in right, and the vast majority of well-intentioned parents don't even know it. With traffic crashes being the leading killer of kids, this presents a serious problem.

To address this issue, DaimlerChrysler created a partnership with Fisher-Price and the National Safety Council, to launch Fit for a Kid for its customers. Fit for a Kid is a free child safety seat inspection service available today at more than 700 DaimlerChrysler's dealers in all 50 US states. DaimlerChrysler is the only automaker to offer this service at permanent locations across the country.

DaimlerChrysler launched the service in February 1999 to Chrysler vehicle owners. In June of 1999, the program was expanded to include all model vehicles. On the expansion of the service, Jim Hall, chairman of the National Transportation Safety Board said, "With Fit for a Kid, DaimlerChrysler has set a new standard for child passenger safety for the entire auto industry worldwide. Incorrect installation of child safety seats is a serious problem, and if every automaker follows the leadership shown by DaimlerChrysler, the problem will be addressed."

NTSB in December of 2000 awarded Fit for a Kid an "exceed expectations" distinction for offering/providing safety seat fitting stations. In the 33-year history of NTSB this was only the 19th time this distinction has been granted. Only the second garnered to a corporation. And the first earned by an auto manufacturer.

1. Why is the issue important to the organization?

DaimlerChrysler is committed to safety on all levels: product, employee and especially passenger safety. Child passengers are a particular concern for the company because children cannot protect themselves. DaimlerChrysler believes that through Fit for a Kid, we can help avoid needless tragedy and heartache by offering a service that can help save the lives of children.

Safety and security are also major concerns among policy makers and the public. We engineer breakthrough safety into our products. But this is sometimes not enough. With children, many are killed needlessly, many times through no fault of anyone through safety seats that are perfectly designed, but used and applied incorrectly. Fit for a Kid attempts to save these lives by directly educating and training parents on proper child seat use.

In this way we can help save lives, enhance the reputation of our company and improve our relationship with our customers.

Indeed, in recent years we have seen a marked increase in litigation involving child death and injury cases, many of which were avoidable if safety seats were used correctly. This was particularly prevalent in the minority community, and most significant among Hispanics. As an expansion of the program in 2000 DaimlerChrysler began offering seats free to economically challenged Americans through a partnership with urban hospitals.

2. At what levels do members of the organization participate in addressing the issue?

DaimlerChrysler's Fit for a Kid service penetrates all levels of the company. From the chairman and president, to the dealers and their staff, Fit for a Kid has full support of the company. There is no greater reflection of this support than the determination of the company to bring this service to market in such a short amount of time.

Since its inception, the corporation has trained more than 1,300 certified child passenger safety inspectors at more than 700 dealerships around the country. Training inspectors is a time and labor intensive process. DaimlerChrysler and its dealers send inspectors through a National Highway Transportation Safety Administration approved four-day child passenger training curriculum.

To date, more than 20,000 child safety seats have been inspected. We have six reported instances where the program may have been instrumental in saving a child's life. According to NTSB, ten million children a day are improperly strapped in their safety seat. There are more than 34 million children 8 years of age and under in the U.S. and the misuse rate for child seats is estimated at 80 percent. That means more than 27 million children are at risk and need their safety seats inspected. Fit for a Kid, therefore, may have already been responsible for prevent significant loss of life and injury.

Fit for a Kid also provides important safety and community resource information to non-customers through its toll-free number and Web site. In addition, many of its dealers host community events to serve all members of the community.

3. Which constituent groups are affected?

Parents, grandparents, caregivers, advocacy groups and children are affected by this initiative.

4. How are constituent concerns considered and acted upon?

There is ongoing dialogue with partners and constituent groups to determine the best application of this initiative. This dialogue has led to many new dimensions to the original concept, such as servicing non-Chrysler customers and expanding the program with free seats to minorities who are economically challenged.

5. What is the key objective of the issue management program?

DaimlerChrysler's Fit for a Kid service was created to save children's lives and to raise awareness of the risk kids face in improperly buckled-in child seats. It expands awareness of personal responsibility and focuses in an area of particular vulnerability to society and the company. It is a perfect blend of corporate and public interest, which is the ultimate goal of good issue management. And it is not just good PR...young lives are being saved.

6. Does issue management make a direct contribution to the organization's profitability? If so, how?

DaimlerChrysler takes safety seriously — DaimlerChrysler was the first to the market with air bags and integrated child safety seats. We have taken leadership in comprehensive education campaigns to help assure kids are buckled up in the back seat and have spent millions on

other innovative safety programs. In the first year alone, we have invested \$8 million into developing and promoting Fit for a Kid. Because the service is free, there is no direct profit from the endeavor. However, we believe that Fit for a Kid delivers the personalized service our customers want and deserve, and that will ultimately increase our profitability. We hope that people recognize this initiative as part of our safety leadership. Indeed, 52 percent of the vehicles serviced in the program, at Chrysler dealerships, are non-Chrysler products.

7. What are the results?

Before Fit for a Kid was launched, there were approximately 2,000 certified inspectors in the country and there was no permanent place a parent or caregiver could turn to for help properly buckling in their children. In just seven months, Fit for a Kid added more than 1,300 new inspectors at permanent locations across the country where parents can turn at their convenience. We have raised--and will continue to raise—awareness of kids at risk in incorrectly installed safety seats.

In October of 2000, Fit for a Kid was expanded to reach low income and minority families who are often missed because of cultural barriers, economic factors, etc. We are partnered with urban hospitals in four major markets to distribute child safety seats to new mothers. This was an effort to reach mothers at the beginning stage of a child's life to ensure the child was safe, so that proper safety behaviors are practiced from day one of a child's life.

Fit for a Kid has also significantly raise awareness...internally or externally. It has been the most recognized auto safety program in the nation, a source or reputational equity for the company and a source of pride to employees.

For all the talk and all the money, the program has documented six lives it may have saved. That is the most important result.

8. Please illustrate your organization's issue management process.

The company's issue management process workflow, a collaborative-based model which takes place each week on a global level, as well as within individual business units, is illustrated in the chart below.

