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BUSINESS | AUTOS & TRANSPORTATION | AUTOS

Chrysler Hit With \$150 Million Penalty in Boy's Death

Case put a spotlight on safety of older vehicles with fuel tanks behind rear axle

Offroad

Lawyers played a videotaped deposition of Fiat Chrysler CEO Sergio Marchionne for jurors in a trial stemming from the death of a 4-year-old boy in a fiery rear-end Jeep crash that happened in March 2012.



The Jeep Grand Cherokee involved in the crash



Fiat Chrysler CEO Sergio Marchionne

The Road to Trial

AUGUST 2010

Federal regulators open preliminary investigation of Jeeps with fuel tanks allegedly vulnerable to catching fire in rear-end collisions.

JULY 2012

The parents of Remi Walden sue Chrysler, alleging a fuel-tank placed behind the rear axle ignited in a rear-end collision that killed him.

JUNE 2013

Mr. Marchionne meets with top federal regulators, leading to a deal for a limited recall of older Jeeps, and an inspection of others.

JULY 2014

Regulators push for speedier repairs of Jeeps.

NOVEMBER 2014

A 23-year-old pregnant woman dies when her Jeep is rear-ended and catches fire outside Detroit.

MARCH 2015

Trial begins in Walden case, with lawyers playing a video-taped deposition of Mr. Marchionne for jurors.

Source: WSJ staff reports Photos: Butler, Wooten & Fryhofer/Associated Press; Reuters (Marchionne)

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By **MIKE SPECTOR**

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A jury found Chrysler responsible in the death of a 4-year-old Georgia boy in a fiery Jeep crash and ordered the auto maker to pay \$150 million in damages.

The verdict caps a trial that renewed scrutiny of older sport-utility vehicles with fuel tanks that regulators spotlighted as vulnerable in rear-end collisions.

After deliberating for fewer than two hours on Thursday, the jury in Bainbridge, Ga., found the auto maker was to blame for Remington Walden's March 2012 death. The fuel tank installed behind the rear axle on the SUV he was riding in, a 1999 Jeep Grand Cherokee, leaked after a pickup truck rear-ended it, setting the vehicle ablaze. The Jeep's manufacturer, Chrysler, is now called FCA US LLC and part of Fiat Chrysler

Automobiles NV.

The jury found the company acted with “reckless or wanton disregard for human life in the design or sale” of the Jeep SUV and failed to warn that the vehicle was hazardous.

A Fiat Chrysler spokesman expressed disappointment in the verdict and said the company would consider an appeal. The spokesman said it was “unfortunate” the jury couldn’t consider data submitted to federal regulators that led the government to determine the vehicle didn’t pose “an unreasonable risk to motor vehicle safety.”

The

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company in 2013 agreed to recall millions of Jeep Grand Cherokee and Liberty SUVs with model years ranging from 1993 to 2007 to address concerns about their fuel tanks. The Grand Cherokee at the center of the Georgia lawsuit is among a set of vehicles the company is inspecting as part of a “customer satisfaction campaign” in lieu of a recall. The company is installing trailer hitches on the backs of Jeeps to add protection in lower-speed collisions.

“What Fiat Chrysler Automobiles did was unacceptable and put families at risk, and the jury figured that out,” said Jeb Butler, a lawyer for the boy’s family.

The jury, after a two-week trial, ordered damages of \$120 million for the value of the boy’s life and another \$30 million for his pain and suffering. The jury found Chrysler was 99% at fault, and the pickup truck driver who rear-ended the Jeep was 1% responsible.

The verdict could draw further attention to Fiat Chrysler’s handling of older sport-utility vehicles that regulators at one point linked to 51 deaths. Fiat Chrysler has so far avoided the kind of recall scrutiny received by General Motors Co. over defective ignition switches and Takata Corp. on account of rupture-prone air bags. The latter companies have faced fines from regulators, hearings on Capitol Hill and Justice Department probes over their safety problems.

The decision is a let down for Fiat Chrysler Chief Executive Sergio Marchionne and



The jury found Chrysler was to blame for Remington Walden's March 2012 death in a fiery Jeep crash. *PHOTO: BUTLER, WOOTEN & FRYHOFFER/ASSOCIATED PRESS*

other company representatives who for years said the vehicle in the Georgia lawsuit and a wide array of other older Jeeps were safe and didn't suffer from a safety defect related to the fuel tank's location.

In June 2013, Chrysler initially resisted a request from regulators to recall 2.7 million Jeeps before agreeing to a limited recall of 1.56 million of them and an inspection of others. Mr. Marchionne met with two top regulators privately, a discussion that led to the deal. Regulators have expressed concern about the pace of Jeep repairs but stopped short of asking the company to call them defective.

The auto maker argued the blame for the Georgia boy's death was with the pickup-truck driver whose vehicle struck the Jeep at such a high speed the vehicle couldn't be expected to withstand it. Lawyers for the company told jurors the vehicle met federal safety standards for fuel tanks at the time they were made.

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