

Ford pinto case brief

Business



Ford Pinto Case Brief There was strong competition for Ford in the American small-car market from Volkswagen and several Japanese companies in the 1960's. To fight the competition, Ford rushed its newest car the Pinto into production in much less time than it usually required to develop a car. The regular time to produce an automobile is 43 months; Ford took 25 months. Before production however, Ford engineers discovered a major flaw in the cars design. In nearly all rear-end crash test collisions, the Pinto's fuel system would rupture extremely easily. Thetechnologywas available to make the Pinto a safer vehicle.

The best method for improving the safety of the Pinto was to line the gas tank with a rubber bladder. Ford alleged that it would cost \$11 per car to add any sort of gas tank fire prevention device. Lee Iacocca, who was in charge of the development of the Pinto, had specifications for the design of the car that were uncompromisable. These specifications were that " the Pinto was not to weigh an ounce over 2, 000 pounds and not cost a cent over \$2, 000. " Any modifications, even if it did provided extra safety for the customer that brought the car closer to the Iacocca's limits were rejected.

A report was prepared for NHTSA by consultant; Eugene Trisko entitled " A National Survey of Motor Vehicle Fires. " His report indicates that the Ford Motor Company makes 24 percent of the cars on the American road, yet these cars account for 42 percent of the collision-ruptured fuel tanks. Another staggering fact that was discovered was that a large and growing number of corpses taken from burned cars involved in rear-end crashes contained no cuts, bruises or broken bones. They clearly would have survived the accident unharmed if the cars had not caught fire.

There was no single event that caused all of the deaths and injuries related to Pinto's. Ford had many opportunities to limit the damage done by the faulty design of the Pinto. Engineers bowed to pressure from superiors to keep quiet about the unsafe cars. Was it ethical for Ford to make Ford Pinto?

Question No. 1 Marks 10 How Ford management used " Cost Benefit Approach" in solving the case? Is it right decisions? Question No. 2 Marks 10 What is the best ethical solution that Ford company management has to adopt? " Case Study"