

Wsj analysis number 3



October 17, 2008 MKT 351 MW 12: 15 30 WSJ Analysis Citation: Christopher Conkey & Melanie Trottman, “ U. S. Probes Off-Road After a String of Accidents”, Wall Street Journal, Tuesday, November 4, 2008.

Abstract:

Federal investigators look into the safety issues involving the off-road vehicle called the Yamaha Rhino. The vehicle faces numerous lawsuits in both the state, as well as the federal court systems. While Yamaha has sought to settle some of those previous lawsuits before them, they have now taken a stance of gathering together a larger legal body to fight more of the cases, as such changing their course of action. The Consumer Product Safety Commission makes known the primary reasoning behind their investigation of the vehicle itself. Not just the number of accidents that have been alleged to have occurred, but also the resulting lawsuits that have come about.

Yamahas position is that of saying that the other side would, “ have seized on safety and product enhancements that Yamaha has made to the Rhino to allege baseless claims about the stability of the vehicles,” (Conkey & Trottman, 11/04/08). Like other vehicles of the sort, the Rhino, according to Yamaha, was designed to go in the areas in which are considered to be all terrain and handle such things as what can be hazardous environmental conditions.

Yamaha further maintains its claim that it has done everything within its power to maintain a complete level of maintenance on its products.

Legislation as of August 2008 would make it possible for those standards that would have been voluntary beforehand, to be more required as a result.

Further stating that they cannot respond to claims that have not been brought forth with any proof as of yet, Yamaha insists upon the standard

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business claim of truly caring about each and every customer.

Relevance to MKT 351:

As for relevance to the marketing issue, any form of discrepancy as it comes to the safety of a product or service that a company may provide, can result in a great deal of problems for the company's economic future and the image which they bode with both their customer base as well as federal regulators.

Reactions:

This sort of concern in regards to the issues of product safety can prove to be very fatal to the overall stability of the company itself. With the current economic status of the nation being tenuous at best, any sort of doubt in corporate integrity and that which they produce for the public, can only prove to be more disconcerting to a market already stressed from economic uncertainty of the present day. As has been in the case in other circumstances, it is often times very common for a company to fight off such allegations made in the hopes of saving the reputation that they have. In some cases to settle when they feel it will suit their greater interest, but to also fight when they feel the time has come to do so.

Legislation is very key to the process of ensuring the quality of products and services for the public, as well as making sure that companies are kept under serious consideration and insisting them to be held up to a higher standing and therefore setting an example of quality and excellence. With the popularity of such things as ATVs (All Terrain Vehicles), any company that produces such vehicles will enjoy a considerable profit. Being that they are vehicles that go into terrains that are quite dangerous at times and rough to navigate, any form of increase to safety standards is quite necessary and beneficial to all involved.

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For a company to increase, or at least claim to have increased their attention to keeping up with the safety of their product, they intend to ensure that they have the least amount of risk of further legal action on the part of claimants who insist that the product is not safe and has in fact caused great harm to them and also others whom they may know. All Terrain vehicles are very popular among a great many of people. With the amount of claims to be had in regards to the number of injuries that would have occurred due to the vehicle itself, it can be quite concerning to even think of riding such a thing to begin with until the safety issues subside and the level of claims in regards to injury decrease in nature.

Works Cited

Conkey, Christopher & Trottman, Melanie. “ U. S. Probes Off-Road Vehicles After A String of Accidents.” The Wall Street Journal Online. Published: November 4, 2008.
Source: WSJ. com