

Crank recall puts Shimano under the gun, retailers under the microscope

By Dean Yobbi

LOS ANGELES — Six months have passed since Shimano announced its 11-speed Hollowtech road crankset recall that led to a lawsuit calling it “a nightmare for riders and bike shops.” With enough time elapsed to iron out the recall’s logistics, BRAIN contacted some authorized Shimano retailers who offered differing insights into the inspection process.

When Shimano and the Consumer Product Safety Commission jointly announced in September that 760,000 cranks in the U.S. needed to be examined for signs of delamination, consumers were told to visit an authorized retailer for inspection. The cranks requiring inspection — Dura-Ace and Ultegra models manufactured before July 2019 — can separate and break. Shimano received reports of 4,519 incidents of separation, and six reported injuries, including bone fractures, joint displacement, and lacerations.

THE SUIT

A class action complaint names Shimano and co-defendants Specialized Bicycle Components and Trek Bicycle. It was filed in California Central District Court in October by four plaintiffs “and on behalf of all others similarly situated.” In January, a consolidated class action complaint was filed, listing 10 additional plaintiffs and adding defendant Giant Bicycle. In February, Shimano filed a motion to dismiss the lawsuit, with a hearing scheduled April 8.

In addition to a jury trial, the plaintiffs are asking for among other remedies the purchase price of the crankset and/or the bike it came on reimbursed with interest, expenses for damages and attorney fees, and for Shimano to disclose the safety risks of the cranksets and the bikes they were spec’d on to anyone who could be at risk of using them in the future.

When its fourth-quarter earnings were announced in mid-February, President Taizo Shimano issued a statement about the legal action to investors. “This lawsuit is still at an early stage of procedural development, and the court has not certified a class. We have been working with our subsidiary to respond to this lawsuit and the court’s procedure.”

Shimano reported full-year losses from the replacement program were 17.655 million yen (\$117 million), just 551,000 yen more than its estimate for the 2023 program cost it made in its third-quarter financial report.

Contacted by BRAIN in mid-February, Roland Tellis, who along with Jason Lichtman and Steve Larson are co-lead counsel for the plaintiffs, would only say the case remains pending and in the early stages of litigation.

The lawsuit addressed the retailer’s predicament, stating “a local bicycle mechanic is tasked with making a complex engineering judgment to determine whether the crankset shows sufficient deterioration to merit replacement.”

GROUND ZERO: SHOPS

Putting the onus on retailers concerns Kathryn Austin, owner of Allegro Cyclery in Walla Walla, Washington.

“If our assessment of the recalled crankset was that it ‘looked good’ — no visible damage or potential failure, it passed the criteria given to us but it ended up failing in the future, are we liable or is Shimano?” asked Austin, who added that other than fielding a few customer phone calls, no cranksets have been brought to her shop for inspection. “Just because the crankset does not show any signs of delamination at the time we see it does not mean it isn’t still going to happen. It would have been easier if the recall was the typical stop-using-now-and-have-replaced type. The way Shimano has set this up lends to a lot of room for error and lack of consistency between shops.”

Rod Russell of BG Bicycles in Houma, Louisiana, agrees.

“Shimano hid this manufacturing defect for years, and only reported it to the CPSC after taking heat and videos going viral,” Russell said. “Shimano was caught off guard and did not think CPSC would issue a quasi-recall immediately. Shimano has attempted to lay liability upon the select inspection shops in the U.S., but having shops pull the crank, remove the chainrings, clean the unit and visually look for something that cannot be seen visually unless it completely failed.”

Previous crank failures have been reported on cycling sites, including fellow Outside Inc. title Velo, which reported on the failures in 2022. When the recall was announced, Shimano told BRAIN, “Shimano monitors any warranty issues that arise with all products. We are not able to go into the specifics of the process and timing with CPSC.”

Russell said his shop has inspected more than a dozen cranksets with every one being replaced “because I state neither the customer nor our shop accept any liability whatsoever for a manufacturing defect that can cause injury and/or death upon its imminent failure.”

SHIMANO’S SUPPORT

Landry’s Bicycles Lead Technician Beau Cote said the inspection process has gone smoothly at his shop.

“Support has been generally good as you would expect from Shimano,” Cote said. “Customer support line has been open and transparent. They have under-promised and over-delivered on crank ETA.”

Landry’s, with eight stores in the Boston area, has examined 60 Shimano Hollowtech models as of February, with Cote saying about 40% have failed inspection.

Cote said while Shimano support overall has been positive, the company could have been better prepared to ship cranksets sooner. “Since the issue has been well known for a while, it would have been nice for Shimano to have a stock of these ready to go so there was no delay for customers. Even though it was Shimano’s recall, when shops do not have the immediate solution, we still become the bad guy.”

The other issues, Cote said, were providing labor unequal to what Landry’s charges for crankset work and not having boxes to ship cranksets back to Shimano. Retailers received \$75 for each processed crank.

“We got five cranks in less than a week, and we did not have appropriate boxes or supplies to pack them, and it was on us to find the supplies,” Cote said.

Philip Casanta, vice president of Hypercat Cycleworks, said while Shimano answered all his questions and provided information and training, agreed that the inspection process should have been eliminated in favor of a complete recall.

“We all know that there were creaking and delamination issues we had been telling Shimano about for years,” said Casanta, who added his shop in Ventura, California, so far has inspected 42 cranksets with Shimano replacing each one. “Personally, I took advantage of every form to use the pull-down option, ‘Fail,’ then, ‘We think this is non-forming but want Shimano to confirm’ options and make sure to always put notes in the dealer reference box, citing issues we see and ‘customer notices creaking.’ I have yet to inspect a crank that did not show signs of a seam gap somewhere in the chainring mounting tabs.”

Boulder’s Full Cycle & Colorado Multisport Assistant General Manager Damon Williams echoed Casanta’s point about the need for an in-shop demo to train mechanics. But he said he was overall pleased with Shimano’s support.

“Our outside and inside reps were up to speed on all the details and haven’t hesitated to answer any questions,” Williams said. “They followed up to ensure we were following procedures and not just collecting money without com-

pleting our part in the process. Shimano’s support in this process has been outstanding.”

Colorado’s Wheat Ridge Cyclery Warranty Tech Jimmy Duong said before the recall he saw more delaminated cranksets online than in person. After the recall, he said his shop’s inspections revealed a lot of bad cranks “and cases started coming out of the woodwork. A few people had broken cranksets they never bothered submitting because they didn’t think to initially.”

Duong said Wheat Ridge has performed 150-200 inspections and replaced at least 100 cranks. “Many cranksets had small, even questionable inconsistencies, but of all of the cranksets we’ve mailed to Shimano, there were only a couple of cranksets to pass Shimano’s inspection and get shipped back to us. All of the other cranksets were replaced with brand new parts.”

He said Shimano has taken the recall seriously.

“The lack of hiccups helped make things easy, and Shimano made necessary updates to the system as the recall went along,” Duong said. “We never had to call anyone at Shimano to ask for anything and outside of the general anxiety of waiting for the first round of cranksets. Once they rolled in, they were consistent. Considering the scale of the issue, the warranty rollout seemed relatively smooth, and we didn’t have too many complaints.”

NEW CUSTOMERS?

A few retailers said the inspection process led to mechanics discovering other issues that they then serviced.

“I don’t believe the recall has drawn in any new customers, but it did inspire some dormant customers to come in, refresh their bike, and perhaps get more service done on their bike than they may have had previously,” said Molly Lehman, marketing manager for Ernie’s Bicycle Shop in Massillon, Ohio.

Lehman said Ernie’s inspected about 25 to 30 cranksets, with only a couple requiring replacement.

At Full Cycle, Williams said nearly every one of the 32 crankset inspections — only two were replaced — uncovered other mechanical issues.

“The crank recall allowed us to write a lot of proper service estimates that the majority of customers chose not to authorize,” Williams said. “When consumers heard ‘recall,’ they came in for free parts and labor, not service.”

LONG LEGAL PROCESS BEGINS

Attorney Steven W. Hansen has more than just a passing interest in the recall and lawsuit. Hansen, who represents product manufacturers, distributors, and retailers in product liability and other lawsuits, personally owns a Shimano crankset that’s subject to the recall. With his legal hat on, Hansen said that now Shimano has filed the motion to dismiss the case, the plaintiffs will need to file opposition papers and then the judge will make a ruling.

“In theory, the motion will then be heard by the judge on April 8. Some time after that, the judge will make a ruling. Could be many months. If the case is, unlikely, dismissed, there would be an appeal. Most likely it can proceed after the initial motion to dismiss; it may be drastically pared back in terms of plaintiffs. Then there will likely be more motions filed with respect to class certification. It’s not a ‘certified’ class action at this point until it’s certified as a class action by the court. The problem is determining how similar the situation is for all the potential class members.”

Hansen noted that the inspection process — which might have to be repeated numerous times over the bike’s life — is an interesting aspect of this recall.

“This is not a typical CPSC result in a recall for an issue like this,” he said. •