

Class action against car makers Fiat and Volkswagen

**Investigation into misleading car fuel
consumption claims**

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Who we are

ALTROCONSUMO

- ✓ is a consumer organization set up **in Milan in 1973**
- ✓ It is independent, effective and representative
- ✓ It is **acknowledged by law ex art. 137** – Codice del Consumo (Dlgs. 206/2005) and member of National Consumer Council
- ✓ It's member of **BEUC** – the European umbrella organisation that brings together 41 consumer associations from 31 European countries – since 1978
- ✓ It is member of **Consumers International** (more than 220 associations from 115 nations)

2014 figures

373.000 members

649.704 consumers advices, **394** public events participations, **35** complaints lodged, **7** cease and desist actions, **9** petitions, **6.136** people opted in our collective redress against Trenord, **6.206** media presences, **17.901.817** visits to www.altroconsumo.it, **68.000** followers on Twitter, **115.500** like on Facebook, **280.000** Youtube watches, **49.000** on Instagramm, **147.071** Dowloads APP ORA BASTA, **25.984**, Dowload YOUFIND **7** magazines and numerous guides, **48** surveys on social responsibility in 12 years more than **2585** products tested, **149.500** participants to our collective purchases about energy and gas 21.000 switches **336** professionals on consumer side

Aims of the Investigation

Altroconsumo was interested in:

- Investigating the compatibility between the advertised fuel economy claims made by car manufacturers and the real driving conditions



- Exploring the ways in which car makers might affect the test results

Testing two of the most popular cars in Europe:

- 1) **Volkswagen Golf 7 1.6 TDI BM Euro 5b 77 KW 99 CO2**
- 2) **Fiat Panda 1.2 51 KW 120 CO2**
- Duration of the test: March - July 2014
- The tests were conducted:
 - -under optimal conditions for both low fuel consumption and high fuel consumption
 - -hiring a certified car testing laboratory



Advertising Consumption vs Tested Consumption:

Have a look at this video

Recap:

Advertising consumption (according also to the vehicle registration certificate):

VW Golf: 3.8 litres / 100 km

Fiat Panda: 5.2 litres / 100 km

Consumption as tested :

VW Golf: 5.83 litres / 100 km

Fiat Panda: 6.11 litres /100 km



Result of the test

Car makers declared an average of fuel consumption more than 50% lower for VW Golf
18% lower for the Fiat Panda

On the basis of a motorist driving 15,000 km per year, the cost of fuel exceeds the spending that consumers expected of:

509 euro more for the Golf
247 euro more for the Panda



Altroconsumo's actions:

On the 22nd of September, 2014:

Altroconsumo **warned** Fiat and Volkswagen to stop misleading commercial practices, denouncing the unfair financial harm caused to consumers.

Since the parameter of the fuel consumption is considered as one of the most decisive factors for choosing a car instead of another (as established by the art 140. bis, first paragraph of the Consumer Code)..

On the 24th of February of this year:

Class Actions against car makers were filed in two courts by Altroconsumo:

Turin and Venice, the regional headquarters of Fiat and Volkswagen respectively.

The **Refund** demanded consists in:

- 239 euro for Panda owners
- 502 euro for Golf car owners

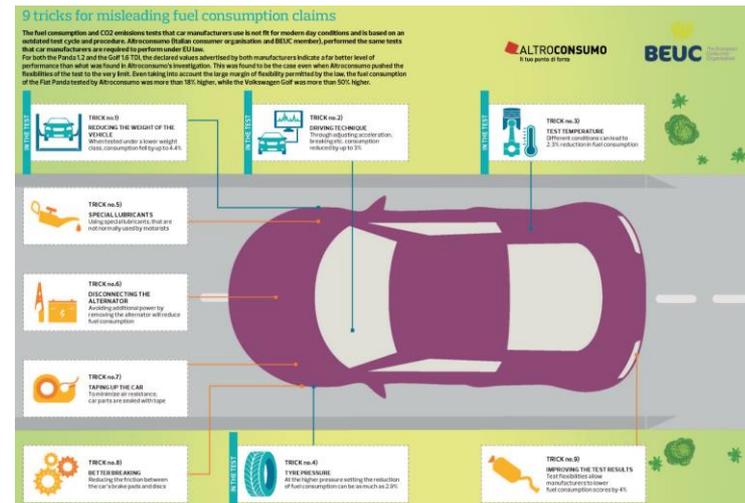
Furthermore..

Altroconsumo identified 4 tricks for misleading fuel consumptions claims:

1. Reducing the weight of vehicle
2. Driving technique
3. Test temperature
4. Tyre pressure

In addition to other alleged tricks:

- Special lubricants
- Disconnecting the alternator
- Taping up the car
- Better breaking
- Improving the test results



On the basis of Altroconsumo's findings

The legislation NEDC (New European Driving Cycle) appears outdated, allowing car manufacturers to exploit the loopholes in official testing protocols.

In fact, NEDC does not fix rigid parameters to perform the tests for approval, but instead provides a wide margin of tolerance between the maximum and minimum values measurable.

A new testing protocol, the Worldwide harmonized Light vehicles Test Procedure (WLTP) has to be introduced in the EU legislation by 2017.

Key recommendations from BEUC + AC to European Commission

The WLTP should be swiftly adopted under EU law and operational by 2017

- ✓ A scaling factor should be applied to **convert test cycle emissions to real world emissions**.
- ✓ The creation of an **EU-wide type approval authority is needed** to ensure more coherent testing standards and procedures are applied across the EU.
- ✓ **Conformity checks must be carried out by national authorities** on vehicles both before sale and once in use.
- ✓ The 2021 CO₂ targets for passenger cars should be modified to represent WLTP test results. This **process should not water down the 95 g/km target or delay** the implementation date of the WLTP.
- ✓ For those countries that already correlate the car tax base to emissions, **the tax levels need to be adapted as soon as the WLTP is applied**.
- ✓ At a national level, those Member States who do not correlate tax base to emissions should further explore and implement **car taxation schemes that effectively reward consumers for investing in low emissions vehicles**.
- ✓ The **car labelling Directive must be revised** in order to provide consumers with better information at the point of sale and in all advertisements.

Thank you

