



User Name: AYCEID ServicetoService

Date and Time: Wednesday, May 6, 2020 8:50:00 AM EDT

Job Number: 116199689

Document (1)

1. Volkswagen hires BP oil spill lawyers to defend emissions cases; Carmaker faces class action suits after admitting 11m of its cars were designed to cheat emissions testing

Volkswagen hires BP oil spill lawyers to defend emissions cases; Carmaker faces class action suits after admitting 11m of its cars were designed to cheat emissions testing

The Guardian

September 23, 2015 Wednesday 2:10 PM GMT

Copyright 2015 The Guardian, a division of Transcontinental Media Group Inc. All Rights Reserved

theguardian

Section: BUSINESS

Length: 722 words

Byline: Graham Ruddick

Body

Volkswagen has hired the US law firm that defended BP after the Deepwater Horizon oil disaster to help it deal with a growing collection of investigations and law suits over the emissions scandal that has rocked the car maker and dragged in the German government.

The hiring of Kirkland & Ellis emerged as the German government admitted that it already knew about "defeat devices" that can cheat emissions tests.

Written responses from the transport ministry to questions from the Green party in July show the government was aware of the so-called defeat devices. However, the transport ministry said it had "no knowledge" of the devices actually being used, and there was no mention of VW.

Oliver Krischer, the deputy leader of the Green party, told German television that this showed the government knew that car makers were trying to manipulate emissions tests. He said: "The government worked together with the auto industry, not to ensure that the emissions levels were reduced, but so that the measuring system was set up in such a way that on paper the cars met the necessary standards."

However, Alexander Dobrindt, the transport minister, dismissed the claims as "false and inappropriate".

VW has admitted that 11m of its cars worldwide were designed to cheat emissions testing and put aside (EURO)6.5bn (£4.7bn) to deal with the potential costs of the crisis. However, it could still face fines of up to \$18bn in a criminal investigation in the US, as well as possible charges for its executives and legal action from customers and shareholders. Several law firms in the US, including Clifford Law and Hagens Berman, have filed class action law suits against the German company.

German public prosecutors says they are considering launching a criminal investigation into the scandal and are examining a collection of legal claims that have already been filed by private individuals against VW.

Segolene Royal, the French energy minister, said Paris will be "extremely thorough, extremely severe" with VW.

"The victims are workers whose situation has been made more precarious, consumers who were duped and also the state which pays subsidies for purchases of clean vehicles," Royal said.

Volkswagen hires BP oil spill lawyers to defend emissions cases; Carmaker faces class action suits after admitting 11m of its cars were designed to cheat emissi....

The board is holding an emergency board meeting to discuss the future of chief executive Martin Winterkorn, who said on Tuesday he was "endlessly sorry" for the crisis but refused to step down.

Almost (EURO)25bn has been wiped off the value of VW since the scandal emerged last Friday. Shares in the world's second biggest carmaker fell another 10% in Germany on Wednesday, before recovering to rise 3% compared to the previous day.

Other leading carmakers have also suffered further falls in their share price due to fears they will be dragged into investigations.

Kirkland will offer VW some much-needed assistance as it gears up for legal battles on both sides of the Atlantic. The law firm led BP's defence in the criminal investigation into the Deepwater Horizon disaster of 2010, which claimed 11 lives.

Britain and France have called for a European inquiry into the motor industry's testing. The transport secretary, Patrick McLoughlin, said: "We are closely monitoring the situation and have been pushing for action at a European level for more accurate tests that reflect driving on the road."

However, the trade body which represents European car makers insisted on Wednesday there was "no evidence" that the scandal spread beyond VW.

The European Automobile Manufacturers' Association, the ACEA, said it "recognises the gravity of the situation and is taking this very seriously".

In a statement it claimed that European rules will soon require testing to be conducted in "realistic driving conditions" as well as in laboratories, creating the strictest regime in the world.

The ACEA added: "The automotive industry is fully supporting the development of this new Real Driving Emissions (RDE) test in order to ensure a more robust control on emissions.

"ACEA hopes that the RDE testing conditions and timings can be finalised urgently, so that the industry can get RDE-compliant vehicles into the market as soon as possible.

"ACEA will continue to engage with the European Commission and national governments to address the current challenges and ensure that trust and confidence in the car industry and clean diesel technology are maintained."

Classification

Language: ENGLISH

Publication-Type: Newspaper

Journal Code: WEBGNS

Subject: EMISSIONS (90%); VEHICLE EMISSIONS STANDARDS (90%); SUITS & CLAIMS (90%); VEHICLE INSPECTIONS (90%); SCANDALS (90%); VEHICLE EMISSIONS (90%); INVESTIGATIONS (90%); VOLKSWAGEN EMISSIONS SCANDAL (90%); CRIMINAL INVESTIGATIONS (89%); LEGAL SERVICES (89%); LAWYERS (89%); LITIGATION (89%); GOVERNMENT ADVISORS & MINISTERS (89%); AIR QUALITY REGULATION (78%); ENERGY DEPARTMENTS (78%); AUTOMOTIVE INDUSTRY & ENVIRONMENT (77%);

Volkswagen hires BP oil spill lawyers to defend emissions cases; Carmaker faces class action suits after admitting 11m of its cars were designed to cheat emissi....

GERMAN POLITICAL PARTIES (77%); EXECUTIVES (74%); TALKS & MEETINGS (74%); OIL SPILLS (73%); PUBLIC PROSECUTORS (73%); CONSUMERS (69%); FINES & PENALTIES (64%); SHAREHOLDERS (63%)

Company: VOLKSWAGEN FINANCIAL SERVICES AG (92%); KIRKLAND & ELLIS LLP (90%)

Industry: EMISSIONS (90%); VEHICLE EMISSIONS STANDARDS (90%); AUTOMOTIVE MFG (90%); VEHICLE INSPECTIONS (90%); VEHICLE EMISSIONS (90%); VOLKSWAGEN EMISSIONS SCANDAL (90%); AUTOMOBILE MFG (89%); AUTOMAKERS (89%); LEGAL SERVICES (89%); LAWYERS (89%); ENERGY DEPARTMENTS (78%); AUTOMOTIVE INDUSTRY & ENVIRONMENT (77%); OIL SPILLS (73%); STOCK PRICES (68%)

Person: SEGOLENE ROYAL (50%)

Geographic: PARIS, FRANCE (79%); GERMANY (95%); UNITED STATES (93%); FRANCE (79%)

Load-Date: September 23, 2015

End of Document