

Volkswagen loses 'damning' dieselgate UK class lawsuit

April 6 2020



The verdict comes just as Volkswagen is ramping down production because of the coronavirus

German car giant Volkswagen faces the threat of a hefty "dieselgate" payout in Britain after a court Monday ruled in favour of more than 90,000 VW drivers whose vehicles cheated emissions tests.



Following adverse rulings and <u>compensation</u> payouts elsewhere, the High Court in London ruled that the German auto giant was liable also in Britain.

The ruling adds pressure on Volkswagen just after the carmaker said last month it was preparing to shutter most of its European plants, joining a slew of other carmakers as the coronavirus pandemic disrupts supply chains and sends demand plummeting.

The British judgement concerned "defeat devices" installed in about 1.2 million Volkswagen, Audi, Seat and Skoda diesel vehicles in Britain, which artificially lowered emissions.

The court found the devices were a "fundamental subversion" of European Union tests designed to limit noxious pollutants, and will rule later on compensation to the owners.

VW admitted in 2015 to fitting 11 million vehicles worldwide with software to make engines appear less polluting in regulatory tests than in real driving conditions.

So far the legal fallout has cost VW more than 30 billion euros (\$32.3 billion) globally in costs, fines and compensation, most of it in the United States and Germany.

Gareth Pope, head of group litigation at Slater and Gordon, which represents around 70,000 of the British claimants, welcomed the "damning judgement".

He said it "exposes VW's disregard for EU emissions regulations and public health in pursuit of profit and market dominance".

Pope demanded VW end the "shameful episode" and settle with the



plaintiffs. The company, however, said it would consider grounds for appeal.

"While Volkswagen is disappointed that the outcome was not in our favour, the judgement relates only to preliminary issues," it said in a statement.

It was still to be determined if the vehicle owners had suffered actual losses, the company insisted, adding: "We will continue to defend our position robustly."

Bozena Michalowska Howells, of law firm Leigh Day that also represented claimants in Britain, said the ruling was "hugely significant" for its clients "battling for four years to hold Volkswagen to account".

She called on VW to "do the right thing and put their customers first by entering into settlement negotiations", therefore avoiding "further years of litigation".

Around five weeks ago, Volkswagen struck a compensation deal with German consumer groups representing owners of cars caught up in "dieselgate".

The 830 million-euro compensation deal fended off a collective lawsuit brought by 400,000 diesel car drivers.

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