

BMW fined \$18 mn in US over inflated sales data

September 25 2020



The US Securities and Exchange Commission said BMW of North America provided inaccurate and misleading information while raising \$18 billion in corporate bond offerings

US securities regulators charged BMW with inflating its retail sales

volumes to investors, fining the luxury car company \$18 million in a settlement announced Thursday.

BMW of North America, a subsidiary of the German [company](#), provided inaccurate and misleading information while raising \$18 billion in corporate bond offerings, the Securities and Exchange Commission (SEC) said.

From 2015 to 2019, BMW relied on a reserve of unreported car sales that it used to meet targets regardless of when the sales took place.

BMW also inaccurately designated some vehicles as sold when they had not been, and adjusted its sales reporting calendar in 2015 and 2017 to meet targets or bank excess sales for future use.

"Companies accessing US markets to raise capital have an obligation to provide [accurate information](#) to investors," said SEC enforcement director Stephanie Avakian.

"Through its repeated disclosure failures, BMW misled investors about its US retail sales performance and customer demand for BMW vehicles in the US market while raising capital in the US."

BMW said it was "pleased" to resolve the matter, noting in a statement that the SEC had praised the automaker for cooperating with the probe.

"Much of the conduct at issue in the SEC settlement occurred over three years ago," BMW said. "The order is based on US securities laws which can be satisfied by negligence. There is no allegation or finding in the order that any BMW entity engaged in intentional misconduct."

© 2020 AFP

Citation: BMW fined \$18 mn in US over inflated sales data (2020, September 25) retrieved 20 April 2024 from <https://techxplore.com/news/2020-09-bmw-fined-mn-inflated-sales.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.