

Ex-Audi boss avoids jail time after 'dieselgate' confession

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Ex-Audi boss Rupert Stadler has admitted to his role in the 'dieselgate' scandal.

Ex-Audi CEO Rupert Stadler received a suspended sentence and a fine Tuesday at the end of his "dieselgate" trial in Germany, making him the highest-ranking former executive to be convicted over the emissions cheating scandal that rocked the car industry in 2015.

In line with a plea deal agreed last month, Stadler avoided jail time in return for admitting to fraud by negligence.

The Munich district court instead handed Stadler a suspended sentence of one year and nine months and ordered him to pay a fine of 1.1 million euros (\$1.2 million).

The 60-year-old admitted in May that he allowed vehicles potentially equipped with manipulating software to remain on sale even after the scam was revealed.

Stadler failed to take "the necessary measures" to prevent the sale of rigged cars, judge Stefan Weickert said.

Stadler, dressed in a dark suit and white shirt, showed no reaction to the verdict.

German car giant Volkswagen—whose subsidiaries include Porsche, Audi, Skoda and Seat—plunged into crisis after admitting in September 2015 it had installed software to rig emission levels in 11 million diesel vehicles worldwide.

The so-called defeat devices made the vehicles appear less polluting in lab tests than they were on the road.

Throughout his trial in Munich, which started in 2020, Stadler had denied wrongdoing.

But following the plea deal agreement, his lawyer last month read out a statement in which Stadler admitted he had "neglected" to inform business partners that cars with so-called defeat devices were still going on the market even after the scandal became public knowledge.

Volkswagen had always insisted that the diesel trickery was the work of a handful of lower-level employees acting without the knowledge of their superiors.

Stadler himself was not accused of instigating the scam.



Volkswagen faced a crisis after it admitted to installing software to rig emissions levels.

'Extraordinary'

But German prosecutors accused Stadler of allowing thousands more vehicles with defeat devices to be sold until early 2018.

Stadler had been Audi's chief executive for 11 years when he was

arrested in 2018. He was also a member of the management board at Volkswagen group.

He spent four months in pre-trial detention owing to prosecution concerns that he would try to influence witnesses.

His co-defendant Wolfgang Hatz, a former Audi and Porsche manager, was handed a two-year suspended sentence and fined 400,000 euros on Tuesday.

Hatz, who at one point was head of engine development at Audi, pleaded guilty in April. He admitted to judges that he had helped arrange the installation of emissions-cheating software. Prosecutors had sought jail time for Hatz.

Another co-defendant, an Audi engineer who previously confessed, was given a 21-month suspended sentence and a 50,000 euro fine.

"All three defendants as well as the prosecution have the option to appeal" the verdicts, court spokesman Laurent Lafleur told reporters.

The money from the fines will go to the treasury of the state of Bavaria as well to charitable organizations including a nature conservation fund, he added.

The spokesman said it had been an "extraordinary" trial that heard more than 190 witnesses and stretched for over 170 court days.

Volkswagen's former CEO Martin Winterkorn was also supposed to stand trial for fraud over the emissions scandal, but his case has been indefinitely postponed due to his poor health.

The "dieselgate" saga shocked Germany and is seen as the country's

biggest post-war industrial scandal.

It has already cost VW around 30 billion euros in fines, legal costs and compensation to car owners, mainly in the United States.

The fallout has also accelerated development of environmentally-friendly electric vehicles, requiring huge investments in a tough economic climate.

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