

In VW inquiry, states scrutinize ads to build case

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In this Sept. 22, 2015, file photo, the logo of Volkswagen at a car is photographed during the Car Show in Frankfurt, Germany. For years, Volkswagen lured customers with "clean diesel" ads that sent cars zooming off the lot and the company's revenues spiraling. Now, in the wake of VW's admission that its software cheated emissions tests, those ads could bring major sticker shock for the German automaker. (AP Photo/Michael Probst, File)

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cars zooming off the lot and the company's revenues spiraling. Now, in the wake of VW's admission that its software cheated emissions tests, those ads could bring major sticker shock for the German automaker.

An expanding investigation by state attorneys general into VW's emissions claims will likely focus on every ad, banner or social media [sales pitch](#) describing its [diesel cars](#) as good for the environment. Those ads are at odds with the company acknowledging that it put stealth software in millions of vehicles worldwide to cheat on [emissions tests](#). State laws ban deceptive or misleading business practices and violations can bring fines of \$5,000 or more for each instance.

In all, Volkswagen sold nearly 500,000 "clean diesel" cars in the U.S. that emitted smog-causing exhaust up to 40 times dirtier than the law allows. The affected cars date back to the 2009 model year, so the states' legal strategy could implicate advertisements that aired or were published since then.

"Each incident is a separate violation," said James Tierney, former Maine attorney general and now program director of the National State Attorneys General Program at Columbia Law School. "Advertising, even if the sale does not occur, could violate these laws. Every time there was a banner on a website, every time a salesman said this car is terrific, all of that is a violation."

Jeannine Ginivan, a VW spokeswoman, said the company was unable to comment on active or pending litigation.

The deceptive practices statutes are one element of the multistate review, which will also examine VW's environmental harm, and is only one piece of a larger body of inquiries into VW. The Environmental Protection Agency this week said it discovered more emissions-cheating software on other VW vehicles, including Audi and Porsche models,

which the company disputes. The Justice Department and Federal Trade Commission are also examining the company's actions.

So far, the District of Columbia and every state but three have joined the multistate investigation. California, Texas and West Virginia are pursuing their own lawsuits.

States have sent wide-ranging demands for records and testimony to Volkswagen in a sweeping investigation that could last for years. The company is coordinating its response to the various requests, which include potentially overlapping information, said Kristina Edmunson, a spokeswoman for Oregon Attorney General Ellen Rosenblum, whose state is among those leading the investigation. New York, another state leading the review, has also demanded documents from VW.

Last week, the National Association of Attorneys General awarded a \$1.5 million grant to support the case.

West Virginia's lawsuit notes that Volkswagen claimed its models were the "most clean," delivered 30 percent better fuel mileage, offered "significantly more torque" and were "more fun" to drive. Consumers paid a premium from \$1,000 to \$6,855 above the cost of standard gasoline engines, the lawsuit said.

Texas' lawsuit said Volkswagen's brochures and Internet and television ads dismissed the longstanding reputation of diesel as a pollutant—"Diesel is no longer a dirty word," one claimed—and touted the vehicles as cleaner than most on the road. The lawsuit seeks \$20,000 for each violation.

One goal is to compensate drivers.

"It's horrible timing for us, just horrible," said Rob Lynch, 41, of

Columbia, Missouri, who believes the company lied to him.

His family was offered \$17,500 to trade a 2013 Jetta SportWagen days before the Volkswagen scandal. Now, the same dealer will only offer \$15,200. He listed the car for sale online, but has received scant interest.

Nick Pipkin, 28, of Springfield, Illinois, said his 2012 Jetta SportWagen has dropped in value by about \$5,000, and he is trying to sell it. He said he hasn't received any communication from Volkswagen and is unsure whether he needs to keep the car to be compensated.

"I just wish I am reimbursed for my car's lost value," he said.

As the scandal unfolds, VW's advertising continues to raise eyebrows. One example: Audi, part of the Volkswagen Group of cars, employs the sales pitch, "Truth in Engineering."

"VW should be compelled to offer every consumer a buy back," said Sen. Richard Blumenthal, D-Conn., a former state [attorney general](#). "They should buy back every car consumers want to sell back or (offer) restitution compensation."

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