

## Ford gets record fine in Australia for 'unconscionable' conduct

April 26 2018

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The US\$7.6-million penalty on Ford for "unconscionable" conduct matches the largest-ever handed down under Australian consumer law

Car giant Ford is set to pay out Aus\$10 million (US\$7.6 million) for its "unconscionable" handling of gearbox complaints in Australia after a court on Thursday slugged the auto manufacturer with a record penalty.

The Australian Competition and Consumer Commission (ACCC) began [legal action](#) against Ford last year after the car manufacturer failed to properly deal with thousands of complaints about shuddering in PowerShift transmissions fitted to its Fiesta, Focus and EcoSport models.

"Despite knowing that shuddering was a symptom of the quality issues with the vehicles, Ford frequently told customers that shuddering was the result of the [customer](#)'s driving style," ACCC Chairman Rod Sims said in a statement.

"Ford knew that the symptoms of the quality issues with the vehicles were experienced intermittently, but required customers to demonstrate them on demand in the presence of a dealer in order for repairs to be undertaken."

The payout matches the largest-ever handed down under Australian consumer law, the ACCC said, equalling a \$10-million penalty against supermarket chain Coles in 2014 for misusing its bargaining powers against suppliers.

"Ford knew that its vehicles had three separate quality issues, but dealt with affected customers in a way which the Court has declared to be unconscionable," Sims said.

About 75,000 cars fitted with the PowerShift transmission have been sold in Australia and over 10,000 people may be eligible for remediation after making complaints between May 2015 and November 2016.

"We were overwhelmed with the volume of complaints and, while it was not intended, over a ten-month period our processes were inadequate and information provided was either inaccurate or incomplete," President of Ford Motor Company Australia Graeme Whickman said.

"We let our customers down and for that we are sorry," he said in a statement.

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Citation: Ford gets record fine in Australia for 'unconscionable' conduct (2018, April 26)  
retrieved 11 July 2024 from <https://phys.org/news/2018-04-ford-fine-australia-unconscionable.html>

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