

Daimler faces mega fine in diesel probe

February 20 2019



Daimler, whose board chairman is Dieter Zetsche, seen at October's Paris Motor Show, confirmed the probe and said it would "continue to cooperate fully" with prosecutors

Mercedes-Benz parent company Daimler could be set for a massive fine in Germany over diesel trickery, as prosecutors confirmed Wednesday they had opened a probe similar to one that cost Volkswagen one billion

euros (\$1.1 billion).

"We opened a fine procedure yesterday" against the high-end car giant, a spokesman for prosecutors in car industry bastion Stuttgart told AFP.

Like VW, Daimler is suspected of building "defeat device" functions into its motor control software that allowed cars to reduce harmful emissions when undergoing regulatory tests.

Prosecutors have already fined Volkswagen one billion euros and VW subsidiary Audi 800 million euros in such cases.

Officials said managers failed in their duty to supervise the firms' activities.

In a statement, Daimler confirmed the probe and said it would "continue to cooperate fully" with prosecutors.

Beyond the Mercedes-Benz maker, VW sports car subsidiary Porsche and components supplier Bosch both face open fine proceedings.

And on top of the probe into the company itself over so-called "administrative offences", four Daimler managers are the target of a criminal investigation for fraud and false advertising linked to the practice.

Transport authority KBA has ordered the Stuttgart-based group to recall 700,000 vehicles worldwide, including 280,000 in Germany, over illegal software—a ruling Daimler is appealing.

Diesel investigations have been running since 2015, when Volkswagen admitted to building defeat devices into 11 million cars worldwide.

Several senior executives at VW remain under investigation, while tens of thousands of car owners are pursuing it in court.

© 2019 AFP

Citation: Daimler faces mega fine in diesel probe (2019, February 20) retrieved 9 April 2024 from <https://phys.org/news/2019-02-daimler-mega-fine-diesel-probe.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.