

AG Lynn Fitch Announces Multistate Settlement with Ford Motor Company



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Lynn Fitch

Attorney General Lynn Fitch today announced Mississippi's participation in a 41-state settlement with Ford Motor Company regarding claims that Ford falsely advertised the real-world fuel economy of model year 2013–2014 C-Max hybrids and the payload capacity of model year 2011–2014 Super Duty pickup trucks. Mississippi will receive \$252,066.74 from the settlement.

“Many Mississippians rely on their Ford trucks and cars for work and daily life,” **said Attorney General Lynn Fitch**, “and they should be able to rely on the company for truthful advertising about fuel economy, payload, and gas mileage. I am pleased that Ford is working with the states to make improvements to their advertising practices.”

2013–2014 C-Max Hybrids

The Attorneys' Generals' investigation revealed that Ford made several misleading representations about 2013–2014 C-Max hybrids including:

- Misrepresenting the distance consumers could drive on one tank of gas;
- Marketing that driving style would not impact real world fuel economy; and,
- Claiming superior real world fuel economy compared to other hybrids.

At one point, Ford ran a series of advertisements called the “Hybrid Games,” which were narrated like an Olympic sporting event and depicted the C-Max outperforming the Prius in a series of videos. The Attorneys General allege that the videos deceptively reflected that C-Max vehicles offered superior real-world fuel economy and driving performance. Twice Ford had to lower the 2013 C-Max fuel economy rankings, which were initially promoted as 47 mpg in the city and highway, but eventually lowered to 42 mpg/city, 37 mpg/highway, and 40 mpg/city-highway mixed. This settlement corrects Ford's deceptive advertising practices, and helps ensure that Ford will not make false or misleading advertising claims about the fuel economy of its vehicles.

2011–2014 Super Duty Pick-up Trucks

The Attorneys General also investigated Ford's deceptive and misleading “Best-in-Class” payload claims on its 2011–2014 Super Duty pick-up trucks, which

includes the F-250, F-350, and F-450 models, a line that caters to consumers hauling and towing heavy loads. In the world of truck advertising, the claim of Best-in-Class payload is a coveted title. The Attorneys General allege that Ford devised a deceptive methodology to calculate maximum payload capacity based on a hypothetical truck configuration that omitted standard items such as the spare wheel, tire and jack, center flow console (replacing it with a mini console), and radio.

The trucks' hypothetical payload capacity increased by approximately 154 to 194 pounds, just enough for Ford to advertise a misleading Best-in-Class payload. Ford only used this deceptive strategy for calculating payload for advertising purposes, it did not use that strategy for calculating actual payload capacity of individual Super Duty pick-up trucks. Although Ford advertised the Best-in-Class payload as available to all consumers, only fleet purchasers (a limited category of businesses that purchase multiple new vehicles each year for commercial purposes) could order trucks equipped so that they could achieve the advertised payload capacity. Individual purchasers could not purchase a Super Duty pick-up truck that realized Ford's Best-in-Class payload claims.

The \$19.2-million settlement included the Attorneys General of Mississippi, Arizona, Illinois, Maryland, Oregon, Texas, Vermont, California, New Jersey, Missouri, Florida, New York, Pennsylvania, Oklahoma, Ohio, Washington, Virginia, North Carolina, Georgia, Massachusetts, Indiana, Wisconsin, Louisiana, Minnesota, Tennessee, Iowa, Kansas, Utah, Alabama, Nebraska, Kentucky, New Mexico, Connecticut, Arkansas, Nevada, West Virginia, North Dakota, Maine, District of Columbia, and Rhode Island.

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