May 24, 2022

ATTORNEY GENERAL RAOUL ANNOUNCES \$19.2 MILLION MULTISTATE SETTLEMENT WITH FORD Settlement Follows Allegations of False Advertising in Fuel Economy, Payload Capacity of Certain Vehicles

Chicago — Attorney General Kwame Raoul today announced a \$19.2 million settlement with Ford Motor Company (Ford), which resolves allegations the automaker falsely advertised the real-world fuel economy of its C-Max hybrids and the payload capacity of certain Super Duty pickup trucks. The relief is the result of a bipartisan multistate investigation and part of a settlement agreement negotiated by an executive committee of states that included Illinois.

"Consumers should be able to trust information issued by a product's manufacturer – particularly if the product is something as expensive as a vehicle. In this instance, Ford's alleged false advertising misled consumers into buying a product they may have otherwise not purchased," Raoul said. "I remain committed to continuing to protect consumers and hold companies accountable for deceiving the public."

During their investigation, Attorney General Raoul and the coalition discovered Ford made several misleading representations about model years 2013 and 2014 C-Max hybrids, including:

- Misrepresenting the distance consumers could drive on one tank of gas.
- Advertising that individuals' driving styles would not impact real-world fuel economy.
- Claiming superior real-world fuel economy compared to other hybrids.

According to Raoul and the coalition, Ford ran a series of misleading video advertisements called the "Hybrid Games," which were narrated like an Olympic sporting event and depicted the C-Max outperforming rival hybrid vehicles. The coalition alleged the ads deceptively marketed C-Max vehicles as offering superior real-world fuel economy and driving performance. After initially promoting the C-Max as getting a combined 47 mpg, Ford lowered the hybrid's fuel economy rating once in 2013 and again in 2014 to a combined 40 mpg.

Raoul and the coalition also investigated alleged misleading "Best-in-Class" payload claims related to Ford's 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. The coalition alleges that Ford based its methodology used to calculate maximum payload capacity for advertising purposes on a hypothetical truck configuration that was available only to fleet customers. The configuration omitted standard items such as the spare wheel, tire and jack; center flow console; and radio. In fact, Raoul and the coalition alleged that Ford did not sell any trucks with the configuration relied on for its "Best-in-Class" payload claim.

Of the \$19.2 million settlement, Illinois will receive approximately \$1 million, which will support efforts to protect residents from fraud. In addition to the monetary relief, the settlement also requires Ford to correct deceptive advertising practices to ensure future claims of fuel efficiency are not false or misleading. Joining Raoul in the investigation and executive committee that negotiated the settlement are the attorneys general of Arizona, Maryland, Oregon, Texas and Vermont. In addition, the attorneys general of 35 additional states and jurisdictions signed onto the agreement.

Deputy Bureau Chief Cassandra Halm handled the settlement for Raoul's Consumer Fraud Bureau.

Attorney General Kwame Raoul's Consumer Protection Division protects Illinois consumers and businesses victimized by fraud, deception and unfair business practices. Individuals who believe themselves to be a victim of fraud should file a complaint by visiting the Attorney General's website or calling the Attorney General's Consumer Fraud hotlines:

1-800-386-5438 (Chicago) 1-800-243-0618 (Springfield) 1-800-243-0607 (Carbondale)