

TEN TIMES BIG COMPANIES HAVE LIED TO US



IN THE WAKE OF THE RECENT VW EMISSIONS SCANDAL WHERE SOFTWARE WAS FITTED TO DELIBERATELY FOOL TESTS, WE LOOK AT 10 OTHER TIMES BIG BUSINESS HAVE LIED TO THEIR CUSTOMERS...

In 2005 it was found that the News of the World, among other newspapers, was hacking the phones of celebrities, politicians, sports stars, and others. After a story about Prince William's injured knee appeared in the paper, the Royal Family instigated investigations. They found that private investigators had obtained back-door codes used by network operators and used them to listen to several hundred voice messages.

News International



COST: \$\$\$\$\$\$\$\$\$\$

\$2M IN LAWSUITS SETTLED OUT OF COURT

vibram fivefingers®



Vibram claimed that their 'fivefingers' running shoes would help to strengthen muscles in the feet and lower legs, improve posture, stimulate neural function related to balance and agility, and 'allow the foot and body to move naturally.' As it turns out, this was complete rubbish and simply made up by the marketing folks!

COST: \$\$\$\$\$\$\$\$\$\$

\$3.75M TO SETTLE A CLASS ACTION LAWSUIT

Despite their claims, Skechers toning shoes did not burn calories and firm thighs with every step. One ad featured an endorsement for the shoes based on an 'independent' clinical study conducted by a chiropractor. Unfortunately the chiropractor in question was married to a Skechers marketing executive, and Skechers had paid for the 'study.'

SKECHERS



COST: \$\$\$\$\$\$\$\$\$\$

\$40M SETTLEMENT WITH THE FCC



Cost: \$137,000,000
 (Estimated as the costs of a production fix to all similarly designed cars and trucks with the gas tank aft of the axle (12,500,000 vehicles x \$11/vehicle))
Benefit: \$49,550,000
 (Estimated as the savings from preventing (180 projected deaths x \$200,000/death) - (180 projected burn injuries x \$67,000/injury) - (2,100 burned cars x \$700/car))

The 1968 Ford Pinto was badly designed and dangerous. A memo sent to senior managers suggested that the total bill of \$49.5 million for ad hoc repairs was far more acceptable than the \$137 million Ford would need to find in order to fit an essential \$11 replacement part to 12.5 million vehicles. The memo was then leaked...

COST: \$\$\$\$\$\$\$\$\$\$

\$50M+ AND A WHOLE LOT OF REPUTATIONAL DAMAGE

In 2013 foods that were advertised or labelled as containing beef were found to contain undeclared horse meat, up to 100% in some cases! Horse DNA was discovered in frozen beef burgers sold in several Irish and British supermarkets. One study found that 23 out of 27 samples of beef burgers also contained pig DNA!

Findus



COST: \$\$\$\$\$\$\$\$\$\$

100M+ ACROSS DIFFERENT SUPERMARKET BRANDS

bp



Thanks to BP's failure to follow safety regulations, managerial incompetence, and the company's determined efforts to hide what they had done, Deepwater Horizon was an environmental disaster of epic proportions. Internal documents and emails regarding how much oil was spilled contradicted what was released to the US government and the public. In reality it was twenty times what they had claimed.

COST: \$\$\$\$\$\$\$\$\$\$

\$20BN - WITH POTENTIALLY MILLIONS MORE IN FUTURE CLAIMS!

Nestle has a habit of buying up water, bottling it, and selling it back to locals at a huge profit. One example is Sacramento, California. In the midst of a 4 year drought, Nestle continues to buy water in bulk from Sacramento, 50 million gallons in 2014, and sell it back to residents at up to 1,000% profit. The Nestle Chairman even asserted that water was not a basic right!

Nestlé



COST: \$\$\$\$\$\$\$\$\$\$

\$32BN - THIS IS HOW MUCH NESTLE MAKE EACH YEAR FROM BOTTLED WATER SALES!

LISTERINE®



In 2005, Listerine was ordered to pull adverts that claimed their mouthwash was clinically proven to be as effective as floss in fighting tooth and gum decay. There was plenty of evidence, it transpired, that demonstrated that rinsing with a mouthwash is not as effective as flossing.

COST: \$ UNKNOWN

BUT MUCH DAMAGE TO THE BRAND

In 2009 British lawmakers pushed for a ban for adverts for Olay Definity eye cream, which featured the irish model Twiggy. At 59, she was shown devoid of crow's feet. Olay came clean, admitting that they had retouched Twiggy's photos, and the U.K.'s Advertising Standards Authority swiftly banned the ads.

OLAY®



COST: \$ UNKNOWN

BUT MUCH DAMAGE TO THE BRAND

REAL VS FAKE!

Coca-Cola



In 1999 Coca-Cola invested £7m in promoting Dasani, its own brand bottled water. There was just one snag. In spite of claims about its purity, Dasani was actually simple tap water that was drawn from the mains supply in Coca Cola's factory in Kent! Unsurprisingly, Dasani slipped from public view quite quickly when this was found out.

COST: \$ UNKNOWN

BUT THEY HAD TO RECALL 500,000 BOTTLES!

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