



**United States Attorney's Office  
Eastern District of Michigan**

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**PRESS RELEASE**

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[www.justice.gov/usao/mie/index.html](http://www.justice.gov/usao/mie/index.html)**

**Volkswagen Engineer Sentenced for His Role in  
Conspiracy to Cheat U.S. Emissions Tests**

DETROIT, Michigan – James Robert Liang, a Volkswagen engineer, was sentenced today by U.S. District Judge Sean F. Cox of the Eastern District of Michigan to 40 months in federal prison for his role in a nearly 10-year conspiracy to defraud U.S. regulators and U.S. Volkswagen customers by implementing software specifically designed to cheat U.S. emissions tests in hundreds of thousands of Volkswagen “clean diesel” vehicles, the Justice Department announced today.

Liang, 63, of Newbury Park, California, pleaded guilty last year to one count of conspiracy to defraud the United States, to commit wire fraud, and to violate the Clean Air Act. According to court records, from 1983 until May 2008, Liang was an employee of Volkswagen AG (VW), working in its diesel development department in Wolfsburg, Germany.

Acting United States Attorney Daniel L. Lemisch stated, “This sentence sends a strong message of deterrence to automotive engineers and executives who should think twice before knowingly breaking United States laws for the benefit of their employer.”

“The actions of James Robert Liang and others with which he conspired to fraudulently represent that Volkswagen AG was in compliance with regulatory emissions standards significantly impacted thousands of victim consumers”, said David P. Gelios, Special Agent in Charge, Detroit Division of the FBI. “Today’s sentencing is significant as it demonstrates there is and will be personal culpability for corporate executives who knowingly cheat American consumers, violate federal laws, and purposely utilize technologies that further endanger our environment.”

"As this case demonstrates, the U.S. Environmental Protection Agency is committed to ensuring a level playing field for companies that follow the rules and pursuing individuals whose actions create an unfair competitive advantage for their employer," said Larry Starfield, Acting Assistant Administrator for EPA's Office of Enforcement and Compliance Assurance.

Beginning in about 2006, he and his co-conspirators started to design a new "EA 189" diesel engine for sale in the United States, according to the plea agreement. When Liang and his co-conspirators realized that they could not design a diesel engine that would meet the stricter U.S. emissions standards, they designed and implemented software to recognize whether a vehicle was undergoing standard U.S. emissions testing on a dynamometer or being driven on the road under normal driving conditions (the defeat device), in order to cheat U.S. emissions tests. VW tasked Liang with making the defeat device work by calibrating it to recognize specific U.S. emissions tests' drive cycles. In May 2008, Liang moved to the United States to assist in the launch of VW's new "clean diesel" vehicles in the U.S. market. While working at VW's testing facility in Oxnard, California, he held the title of Leader of Diesel Competence.

According to Liang's plea agreement, for over eight years, employees of VW and its U.S. subsidiary met with the U.S. Environmental Protection Agency (EPA) and the California Air Resources Board (CARB) to seek the certifications required to sell each model year of its vehicles to U.S. customers. During these meetings, some of which Liang personally attended, Liang and his co-conspirators lied to the regulators by telling them that the VW diesel vehicles complied with U.S. emissions standards, when, in fact, they did not. Instead, these diesel vehicles were cheating the U.S. emissions test through use of the defeat device.

For each new model year from 2009 through 2016, Liang's co-conspirators continued to falsely and fraudulently certify to EPA and CARB that VW diesel vehicles met U.S. emissions standards and complied with the Clean Air Act, according to the plea agreement. Liang admitted that during this time, he and his co-conspirators lied to the U.S. public by marketing VW diesel vehicles as "clean diesel" and environmentally-friendly, while, at the same time, promoting the vehicles' increased fuel economy, a result achieved by using the defeat device. At the same time, Liang and his co-conspirators also continued to improve and refine the defeat device to better recognize when the VW diesel vehicles were being tested versus being driven on the road.

In connection with pleading guilty, Liang admitted that he helped his co-conspirators continue to lie to the EPA, CARB, and VW customers even after the regulatory agencies started raising questions about the vehicles' on-road performance following an independent study commissioned by the International Council on Clean Transportation, which showed that the diesel vehicles' emissions on the road were more than 30 times higher than shown on the dynamometer.

The FBI's Detroit Office and EPA-CID are investigating the case. Deputy Chief Benjamin D. Singer and Trial Attorney Alison L. Anderson of the Criminal Division's Fraud Section, Senior Trial Attorney Jennifer L. Blackwell of the Environment and Natural Resources Division, and Criminal Division Chief Mark Chutkow and Economic Crimes Unit Chief John K. Neal of the U.S. Attorney's Office of the Eastern District of Michigan are prosecuting the case.