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ALBUQUERQUE – Attorney General Hector Balderas announced June 6 that the Office of the Attorney General filed a lawsuit last night against national discount retail chain Dollar General for false advertising, unfair trade practices, and environmental public nuisance for the sale of obsolete motor oil in New Mexico stores from 2010 until February of this year. Dollar General has 87 stores located across New Mexico, including in rural and suburban communities, many of which are lower income.

"My office continues to aggressively protect hard working New Mexico families and vulnerable consumers by holding big corporations like Dollar General accountable for preying on them and lying about the quality of the products that they sell," Balderas said. "Putting New Mexicans' valuable property and safety at risk is unacceptable, and companies that harm our communities and profit by taking money out of the pockets of our families will face consequences for their bad acts."

In its 35-page complaint, the OAG alleges that Dollar General knowingly marketed, distributed and sold its DG Auto brand obsolete motor oil (labeled "DG Auto" SAE 10W-30, SAE 10W-40 and DG SAE-30) in its stores in the State of New Mexico, utilizing false advertising and deceptive and misleading marketing and sales practices.

AG files lawsuit against Dollar General store

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Dollar General's DG SAE 10W-30 and DG SAE 10W-40 motor oil products are manufactured to the API Service Category "SF" specification, which is obsolete and not suitable for motor vehicles built after 1988. Dollar General's DG SAE-30 motor oil product is manufactured to the API Service Category "SA" specification, which is not suitable for motor vehicles manufactured after 1930. Use of this obsolete motor oil in modern engines can cause engine damage.

Dollar General misled and deceived consumers by (a) positioning its DG Auto obsolete motor oil immediately adjacent to the more expensive brand-name motor oil, wrongfully representing that its obsolete motor oil is lower-priced but comparable to the brand-name products; (b) failing to adequately warn its customers of the fact that its DG Auto obsolete motor oil is unsuitable for use by the vast majority of its customers; and (c) distributing advertisements and other marketing materials that contain materially misleading statements and other representations as to the appropriate use and quality of its obsolete motor oil products.

Dollar General has also done significant harm to New Mexico's pristine air quality by selling obsolete motor oil that was unknowingly used by its customers in modern vehicles, damaging engines and deactivating emission control equipment that is required to reduce and control the emission of harmful pollutants. By doing so, Dollar General has caused an increase of ambient concentrations of carbon monoxide, hydrocarbons, nitrogen oxides, particulate matter, and other possible carcinogens, each of which has been linked to adverse human health and environmental impacts.

In addition to penalties, the OAG is asking the court to order Dollar General to develop and fund a state-approved program that would notify New Mexico Dollar General customers of the damages caused by the use of obsolete motor oil; inspect the engine of any customer who used obsolete Dollar General motor oils in their car and repair or replace any damaged components or the entire automobile if necessary; and take any other steps necessary to fix the harm done to New Mexico's clean air from cars that used Dollar General obsolete motor oil.