

## *Long v. Stellantis N.V. et al*

**COURT:** United States District Court for the Southern District of New York  
**CASE NUMBER:** 1:24-cv-06196  
**CLASS PERIOD:** 02/15/2024 - 07/24/2024  
**CASE LEADERS:** Rebecca E. Boon  
**CASE TEAM:** Alec Coquin

Stellantis is a multinational automobile manufacturing company, which designs, manufactures, and sells vehicles under more than a dozen brands. Stellantis' relatively high-priced vehicles as well as its aggressive cost-cutting measures over the last several years have enabled the company to generate greater margins than its competitors, which Stellantis claimed it could consistently deliver.

Throughout the Class Period, Stellantis and its executives made material misrepresentations concerning vehicle inventory levels, which Stellantis claimed had stabilized at normalized quantities, as well as the company's disciplined pricing of its vehicles and maintenance of inventory, which would purportedly preserve its robust profitability. For example, one of Stellantis's chief executives claimed at the start of the Class Period that Stellantis did not "expect further inventory increases of any materiality in 2024." Stellantis further claimed that it was poised to deliver a strong performance in 2024 due to several factors that created "a supportive revenue backdrop." As a result of these misrepresentations, Stellantis stock traded at artificially inflated prices throughout the Class Period.

In reality, Stellantis suffered from operational issues, including vehicle inventories that were at unsustainable levels and would continue to bloat, which the company knew about but concealed from investors and failed to adequately address. In addition, Stellantis failed to appropriately price their vehicles to account for a toughening pricing environment.

The truth was revealed on July 25, 2024, when Stellantis reported financial results for the first half of 2024 that were well below expectations, including a nearly 50% decline in net profits compared to the prior year period. Stellantis attributed its poor financial performance, in part, to Stellantis' "own operational issues." Stellantis admitted that, in its key North American region, the company allowed inventory levels to get "too high" and that its plans to fix inventory levels had failed. Stellantis revealed the need for it to take "decisive actions to address operational challenges," including price reductions and production cuts to improve sales and reduce bloated inventory. As a result of these disclosures, the price of Stellantis stock declined precipitously.

On August 15, 2024, investors filed a securities class action against Stellantis and certain of its current and former senior executives in federal court in New York. On October 15, 2024, BLB&G filed a motion on behalf of its client, Boston Retirement System, seeking appointment as Lead Plaintiff and to have BLB&G appointed as Lead Counsel. On December 30, 2024, the Court entered an order appointing Boston Retirement System as Lead Plaintiff and approving BLB&G as Lead Counsel. As per a court-ordered stipulation, Lead Plaintiff will file the Amended Complaint on March 31, 2025.