

(66) days after
a report, in writing, setting forth in detail the manner and form in which
they have complied with this order.

IN THE MATTER OF

TED BRITT FORD SALES, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket C-2550. Complaint, Sept. 23, 1974—Decision, Sept. 23, 1974

Consent order requiring a Fairfax, Va., new and used car dealer, among other things to
cease misrepresenting that any vehicle is new when it has been used in any manner
other than the limited use necessary in moving or road testing prior to delivery to
the customer.

Appearances

For the Commission: *Jerry W. Boykin, Michael E. K. Mpras and
Michael Dershowitz.*

For the respondents: *Alan Frey, Bierbower & Rockefeller, Wash.,
D. C.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and
by virtue of the authority vested in it by said Act, the Federal Trade
Commission, having reason to believe that Ted Britt Ford Sales, Inc., a
corporation, and Myron G. Britt, individually and as an officer of said
corporation, hereinafter referred to as respondents, have violated the
provisions of said Act, and it appearing to the Commission that a
proceeding by it in respect thereof would be in the public interest,
hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Ted Britt Ford Sales, Inc. is a corpora-
tion organized, existing and doing business under and by virtue of the
laws of the Commonwealth of Virginia, with its principal office and
place of business located at 10570 Lee Highway, in Fairfax, Common-
wealth of Virginia.

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Respondent Myron G. Britt is an individual and an officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent, including those hereinafter set forth. His address is the same as that of the corporate respondent.

The respondents cooperate and act together in carrying out the acts and practices hereinafter set forth.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, and sale to the public of new and used motor vehicles and in the servicing and repair thereof.

PAR. 3. In the course and conduct of their aforesaid business, respondents now cause, and for some time last past have caused, their said motor vehicles to be sold to purchasers thereof located in various States of the United States and the District of Columbia, including the Commonwealth of Virginia, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said motor vehicles in commerce, as "commerce" is defined in the Federal Trade Commission Act. Also in the course and conduct of their business, respondents have caused, and now cause, customers' notes, contracts, payments, checks, credit reports, title registrations, correspondence, and other documents relating to payment of the purchase price for respondents' motor vehicles, to be transmitted by various means, including but not limited to, the United States mails, in commerce, as "commerce" is defined in the Federal Trade Commission Act.

In the course and conduct of their business, as aforesaid, and for the purpose of inducing the purchase of their motor vehicles, the respondents have made, and are now making, numerous statements and representations in advertisements inserted in newspapers of general interstate circulation, and by means of radio and television broadcasts, and by other means in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. Typical and illustrative of the statements and representations in said advertisements, published in August and October of 1970, disseminated as aforesaid, but not all inclusive thereof, are the following:

FORD OFFICIAL CLEARANCE OF 1970 FORDS
AT AUTHORIZED DEALER MENTIONED BELOW

Stock No.	Model	Color	Retail Cost	Dealer Cost
1333	Torino 4 dr. Sed.	Blue	\$3696	\$3029
2452	Torino 2 dr. HT.	Blue	\$3869	\$3169
1331	Torino 4 dr. HT.	White	\$3996	\$3269
1486	Torino 4 dr. HT.	White	\$4041	\$3279
1611	Mach 1	Chestnut	\$4451	\$3699

Stock No.	Model	Color	Retail Cost	Dealer Cost
2123	Must. Conv.	Dk. Green	\$4256	\$3499
1110	Must. Spts' roof	Green	\$3511	\$2989
1681	Must. 2 dr.	Blue	\$3680	\$2999
2649	Mav'rk Grabber	Yellow	\$3097	\$2699
2281	T-Bird 4 dr.	Yellow	\$6857	\$5499
2374	XL Conv.	Red	\$5100	\$3999
2776	XL Conv.	Blue	\$5235	\$4179
2341	Galx. 4 dr. Sed.	Green	\$4274	\$3389
2274	Galx. 4 dr. HT.	Blue	\$4225	\$3324
1235	Galx. 2 dr. HT.	Brown	\$4567	\$3595
1964	Galx. 2 dr. HT.	White	\$4086	\$3216
2181	Galx. 2 dr. HT.	Gold	\$4641	\$3686
1781	Squire	Green	\$5204	\$4105
*	*	*	*	*

FORD—SALE

\$800—\$1,000 GIANT STOCK REDUCTION

SPECIFICALLY PRICED TO SELL———\$1400 OFF.

YOUR CAR IN TRADE FOR HIGHEST TRADE-IN VALUE IN TOWN

TED BRITT FORD

* * * * *

PAR. 5. By and through the use of the above-quoted statements and others of similar import and meaning but not expressly set out herein, the respondents have represented, and are now representing, directly or by implication:

That the motor vehicles described or referred to in said advertisements are new.

PAR. 6. In truth and in fact:

The motor vehicles described or referred to in said advertisements, in many instances, are not new. To the contrary, they have been driven substantially in excess of the limited use necessary in moving or road testing a new vehicle prior to its delivery to the ultimate purchaser.

Therefore, the statements and representations as set forth in Paragraphs Four and Five, hereof, and respondents' failure to disclose in their advertisements the material facts as to the prior use of motor vehicles, were, and are, unfair, false, misleading and deceptive.

PAR. 7. In the course and conduct of their aforesaid business and at all times mentioned herein, respondents have been, and are now, in substantial competition, in commerce, with corporations, firms and individuals in the sale, service and repair of new and used motor vehicles of the same general kind and nature as that sold, serviced and repaired by respondents.

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PAR. 8. The use by the respondents of the aforesaid unfair, false, misleading and deceptive statements, representations, acts and practices and their failure to disclose material facts, as aforesaid, has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were, and are, true and complete and into the purchase of substantial quantities of respondents' motor vehicles and services by reason of said erroneous and mistaken belief. Respondents' aforesaid acts and practices unfairly cause the purchasing public to assume debts and obligations and to make payments of money which they might otherwise not have incurred.

PAR. 9. The acts and practices of the respondents as set forth above, were, and are, all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair methods of competition in commerce and unfair or deceptive acts and practices in commerce, in violation of Section 5 of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereto with violation of the Federal Trade Commission Act, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the complaint to issue herein, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's rules; and

The Commission having considered the agreement and having provisionally accepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34(b) of its rules, the Commission hereby issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Ted Britt Ford Sales, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Virginia, with its office and principal place of business located at 10570 Lee Highway, in the city of Fairfax, Commonwealth of Virginia.

Respondent Myron G. Britt is an officer of said corporation. He formulates, directs and controls the policies, acts and practices of said corporation, and his address is the same as that of said corporation.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered, That respondents Ted Britt Ford Sales, Inc., a corporation, its successors and assigns and its officers, and Myron G. Britt, individually and as an officer of said corporation, and respondents' agents, representatives and employees directly or through any corporation, subsidiary, division or other device in connection with the advertising, offering for sale, sale or distribution, service and repair of new and used motor vehicles, or any other products or services, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, orally or in writing, directly or by implication, that any vehicle is new when it has been used in any manner, other than the limited use necessary in moving, road testing or customer trial of a new vehicle prior to delivery or transfer of title of such vehicle to a customer, but in no event shall the accrued mileage from road testing or customer trial of said vehicle exceed One Hundred Fifty (150) miles.

2. Offering for sale or selling any vehicle of the current or previous model year, which has been used, in any manner, other than the limited use referred to in Paragraph 1., above, without orally disclosing, prior to any sales presentation the nature and extent of such previous use of said vehicle.

3. Advertising any vehicle of the current or the previous model year which has been used in any manner, other than the limited use referred to in Paragraph 1., above, without clearly and conspicuously disclosing in any and all advertising thereof the nature of such previous use of said vehicle.

4. Displaying, offering for sale or selling any vehicle of the current or the previous model year which has been used in any

manner, other than the limited use referred to in Paragraph 1., above, without clearly and conspicuously disclosing by decal or sticker affixed to the inside of the side window containing the manufacturer's suggested retail price or "Monroney sticker," or if space is not available thereon, in close proximity thereto, so as to be clearly visible, the nature of such previous use of said vehicle. Said decal or sticker shall also contain the following statement: "FOR EXACT MILEAGE, SEE ODOMETER."

5. Misrepresenting, orally or in writing, directly or by implication, the nature or extent of previous use or condition of any vehicle displayed, offered for sale or sold.

It is further ordered:

(a) That respondents shall forthwith distribute a copy of this order to each of their operating divisions.

(b) That respondents deliver a copy of this order to cease and desist to all present and future personnel engaged in the offering for sale, or sale, of any motor vehicle, or in any aspect of preparation, creation, or placing of advertising, and that respondents secure a signed statement acknowledging receipt of said order from each such person.

(c) That respondents notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

(d) That the individual respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. Such notice shall include respondent's current business address and a statement as to the nature of the business or employment in which he is engaged as well as a description of his duties and responsibilities.

(e) That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

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Complaint

IN THE MATTER OF

LOGAN FORD CO.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket C-2551. Complaint, Sept. 23, 1974—Decision, Sept. 23, 1974*

Consent order requiring a Springfield, Va., new and used car dealer, among other things to cease misrepresenting that any vehicle is new when it has been used in any manner other than the limited use necessary in moving or road testing prior to delivery to customer.

Appearances

For the Commission: *Jerry W. Boykin, Michael E. K. Mpras and Michael Dershowitz.*

For the respondent: *William E. Constable, Wash., D. C.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Logan Ford Co., a corporation, has violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Logan Ford Co. is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Virginia, with its principal office and place of business located at 6801 Commerce Street, in Springfield, Commonwealth of Virginia.

PAR. 2. Respondent is now, and for some time last past has been, engaged in the advertising, offering for sale, and sale to the public of new and used motor vehicles and in the servicing and repair thereof.

PAR. 3. In the course and conduct of its aforesaid business, respondent now causes, and for some time last past has caused, its said motor vehicles to be sold to purchasers thereof located in various States of the United States and the District of Columbia, including the Commonwealth of Virginia, and maintains, and at all times mentioned herein has maintained, a substantial course of trade in said motor vehicles in commerce, as "commerce" is defined in the Federal Trade Commission Act. Also in the course and conduct of its business, respondent has caused, and now causes, customers' notes, contracts, payments, checks,