

PROTECTING ★ THE ★ UNPROTECTED

## Keeping Car Dealers Informed



# Guidelines for Motor Vehicle Advertising

This guide is designed to help the motor vehicle industry comply with Ohio consumer law and maintain a competitive marketplace.



**DAVE YOST**

OHIO ATTORNEY GENERAL

# Letter from the Attorney General

The Ohio Attorney General's Office recognizes that your work not only drives Ohioans, it helps drive our state's economy, too.

Ohio's new-car dealerships alone generated \$36.8 billion in sales during 2018 and \$2.1 billion in state sales-tax contributions, according to data from the National Automobile Dealers Association. On top of that, auto dealers support Ohioans through charitable donations and by supplying more than 43,000 jobs. The positive impact of your industry is felt throughout the state.

Much of your business depends on effective advertising to draw prospective buyers to sales lots and showrooms with the promise of a good deal. Nationwide in 2018, new-car dealerships spent an average of \$562,000 on advertising, the data shows. The value of advertisements is undeniable.

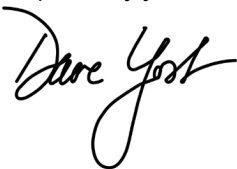
My office is committed to promoting a fair marketplace where businesses share a level playing field and consumers can buy goods without encountering deceptive sales tactics. This booklet, "Guidelines for Motor Vehicle Advertising," is intended to help Ohio's auto dealerships recognize and avoid advertising practices that violate the state's consumer protection laws.

Within the guide, you will find information detailing the lawful and unlawful communication of written, visual and spoken advertisements. We also have included examples of advertisements containing deceptive material to aid in your understanding of the laws.

I want to stress that the guide is not exhaustive; advertising practices not specifically mentioned could still be unfair or deceptive. Also, please note that the contents of this booklet do not imply that my office condones any specific business practices or advertisements.

Thank you for all your important contributions to our great state. I hope this guide serves you well in your future business endeavors.

Respectfully yours,

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

**Dave Yost**  
Ohio Attorney General

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# **Red Flags Indicating Unfair or Deceptive Advertising**

The following may trigger an investigation by the Ohio Attorney General's Office:

- Obviously deceptive or unfair advertisements
- Consumer complaints related to advertising
- Mouse print that is unreadable
- Disclaimers that contradict the message
- Violations related to financing and payments directed at the least sophisticated consumers
- Use of these or similar terms:
  - » “liquidate” or “liquidated”
  - » “bank foreclosure” or “repossessed”
  - » “specially selected” or “chosen”
  - » “wholesale pricing direct to the public,” “pennies on the dollar” or “sold regardless of loss of profit”
- References to the government or use of a seal — anything that could cause a consumer to reasonably believe that he or she is receiving an official document or notice
- Prize notifications, including free products or instant savings scratch-offs
- Advertisements or direct-mail solicitations that include fake “checks”
- Minimum or specific amounts offered for trade-ins
- Reference to the manufacturer's suggested retail price (MSRP), either directly or indirectly, in a used-vehicle advertisement

# Frequently Asked Questions

What laws apply to a motor vehicle dealer's advertising? Chapter 1345 of the Ohio Revised Code and Ohio Administrative Code Sections 109:4-3-02, 109:4-3-04, 109:4-3-06, 109:4-3-11, 109:4-3-12, 109:4-3-16 and 109:4-3-17 each may apply to a dealership's advertising. These rules are referenced throughout this brochure.

## **Must a dealership's website comply with the advertising rules?**

Yes. Websites are considered another medium for advertising and must comply with all applicable advertising rules.

## **How do I know whether my disclosures are clear and conspicuous?**

Whether a disclosure is clear and conspicuous depends on many factors, including, but not limited to, location, size, font and ease with which a consumer can find and understand the language used.

## **How do I advertise periodic payments for a motor vehicle purchase?**

Periodic payments must be advertised as monthly or per month.

## **How do I advertise periodic payments for a motor vehicle lease?**

An advertisement for a lease that uses either (1) the amount of any payment or (2) a statement that no down payment or other payment is required at the beginning of the lease, triggers five other disclosures. These five disclosures must be clear and conspicuous in the advertisement. Details can be found in the Consumer Lease Advertising section later in this guide (Page 20).

## **How do I advertise limited quantities or limited vehicles in stock?**

An advertisement must clearly state the number of vehicles available in stock at the advertised price. If the vehicle is not in stock, the advertisement must indicate that fact.

## **What fees must be included in the advertised price?**

An advertised price must represent the actual purchase price minus registration, licensing fees, title fees, taxes and document fees. Any other fees must be included in the advertised price.

## **How do I advertise a price available to everyone, compared with a price available to a limited number of consumers?**

If a discount is available to all consumers, the amount may be subtracted and the resulting price advertised. If a discount is available to a limited section of consumers, the dealership may not subtract these amounts from the advertised price; however, the advertisement may indicate the availability of the additional discount as long as all material terms are clearly and conspicuously disclosed in the advertisement. The two

prices –the one available to all consumers and the one available to a limited number of consumers – must be equally clear and conspicuous (presented in the same font, color, size, etc.).

**How do I advertise the payoff on a trade-in?**

A dealer may not offer a specific price or guaranteed minimum for a trade- in unless the prices of the vehicles offered for sale are in the dealer’s normal range and any limitations on the payoff are clearly and conspicuously disclosed.

**How do I advertise that a buyer can receive guaranteed credit?**

A dealer may not guarantee credit unless the advertisement includes a summary of all of the material terms and conditions required to obtain the guaranteed credit.

**How do I advertise a price comparison on a new motor vehicle?**

Dealers may not compare the price of new vehicles to “cost,” “dealer’s cost” or similar terms because such words have no fixed meanings. But dealers may compare the price of a new motor vehicle to the invoice price as long as all rule specifications are followed.

**How do I advertise a price comparison on a used motor vehicle?**

Dealers may not compare the price of a used vehicle to the MSRP, list price or sticker price.

**How do I disclose the prior use of a motor vehicle?**

If the used vehicle is from a previous or current model year, a used motor vehicle must be disclosed with the words “used,” “pre-owned” or “previously owned.” Advertisements for used-car lots must be clearly distinguishable from advertisements for new-car lots. Additional disclosures are required for motor vehicles that were previously demonstrator vehicles.

**How do I advertise a “buy-one-get-one-free” deal?**

The term “free” may be used only when the cost of the free good or service is not passed to the consumer by raising the base price of the good or service that must be purchased.

**How do I advertise prizes to encourage consumers to visit my dealership?**

Prize advertisements must comply with OAC 109:4-3-06. It is unfair or deceptive for a dealer to notify a prospective consumer that the consumer won a prize if that is not the case. All terms related to the prize must be clearly and conspicuously disclosed, and a consumer cannot be required to pay any fee to receive a prize.

# Consumer Transactions

Pursuant to Ohio's Consumer Sales Practices Act, Chapter 1345 of the Ohio Revised Code, a consumer transaction includes solicitations for the sale or lease of a motor vehicle to a consumer by a dealer, a manufacturer or others on their behalf. Advertising associations, advertising groups, financial institutions and others that solicit, through advertisements, the sale or lease of motor vehicles to consumers are engaged in consumer transactions and thus required to comply with the act and its rules, OAC 109:4-3. Specifically, OAC 109:4-3-16 was written to guide the advertisement and sale of motor vehicles. Other sections – including OAC 109:4-3-02, 109:4-3-04, 109:4-3-06, 109:4-3-11, 109:4-3-12 and 109:4-3-17 – may apply in specific circumstances. These rules are referenced throughout this guide. The rules may be found at [codes.ohio.gov/oac](http://codes.ohio.gov/oac) or on the Ohio Attorney General's website: [www.OhioAttorneyGeneral.gov](http://www.OhioAttorneyGeneral.gov).

# Advertisements

These advertising guidelines apply to any written, visual or oral communication to a consumer by any personal representation, newspaper advertisement, magazine advertisement, circular, billboard advertisement, direct mailing, sign, radio or television advertisement, telephone solicitation, or internet, email, electronic or other form of communication. They identify or represent the features or price of any automobile offered for sale or the terms relating to the offer of sale, including credit or lease terms.

**All of the following examples also may count as advertisements:**

## **Example 1**

A dealership's phone message played to customers who are on hold may be an advertisement if it provides information on current specials or offers that the dealership is running.

## **Example 2**

A salesperson's representation at the point of sale is an advertisement.

## **Example 3**

Emails are considered direct-mail solicitations.

*The following subsections discuss appropriate advertising methods as well as practices considered to be unfair or deceptive by the Attorney General's Office. The practices covered are not intended to constitute an exhaustive list of all practices that could be unfair or deceptive.*

## **ADVERTISEMENT FORMAT**

### **Print Size**

The use of any print in a type size or style that is not readily noticeable is deceptive. Ten-point type in newspaper advertisements, direct-mail solicitations or any other written advertisement is presumed readily noticeable.

### **Photographs and Illustrations**

The use of inaccurate photographs or illustrations when advertising specific automobiles is deceptive.

#### **Example 1**

Depicting a fully loaded new motor vehicle in an advertisement for a minimally equipped new motor vehicle would be deceptive without clear and conspicuous disclosures that the price refers to the base model and the photo includes additional options. It is unfair and deceptive to use a photo of a used motor vehicle that does not accurately display the specific options available on that vehicle.

#### **Example 2**

It is deceptive to use a vehicle picture without an explanation that the pictured vehicle is not actually available for sale or that only one of the vehicles pictured is available at that price.

#### **Example 3**

A design that creates a false impression regarding which vehicles are offered for sale at which prices is deceptive. See OAC 109:4-3-16(B)(3).

## **Abbreviations**

It is deceptive to use any unexplained abbreviation or jargon that is confusing, misleading or not readily understood by the general public.

#### **Example 1**

The use of "CCR" or "factor" without explaining that those abbreviations refer to "capitalized cost reduction," a substantial payment in most lease transactions, is deceptive.

#### **Example 2**

The use of "WAC" without explaining that it refers to "with approved credit" is deceptive.

#### **Example 3**

The use of a stock number without explaining that the advertised price applies only to a single vehicle, when that is the case, is deceptive.



## Using ‘specially selected,’ ‘valued customer’ or similar terms

The use of “specially selected,” “valued customer” or similar terms is deceptive when the consumer has not been specifically targeted with the advertisement.

### Example 1

The use of “specially selected” when the direct-mail ad is addressed to both a specific consumer and the “current resident” is deceptive because others besides the specific consumer can take advantage of the deal.



### Example 2

The use of “valued customer,” “preferred customer” and other similar language is deceptive when the advertisement is placed in a widely circulated newspaper and any newspaper purchaser can take advantage of the deal.

## ‘Clear and Conspicuous’ Disclosure of Material Terms

Anything that materially affects a consumer’s ability to obtain an advertised vehicle on the terms advertised must be clearly and conspicuously disclosed.

The “clear and conspicuous” requirement applies to both the way in which the advertisement is conveyed and the context of the advertisement.

Disclosures in advertisements should be reviewed to determine:

- Whether the disclosed statement, representation or term is in close proximity to the information it clarifies, modifies, explains or otherwise relates to.
- Whether the disclosure is readily noticeable.
- Whether the message being conveyed is reasonably understandable by the public.
- Whether the disclosure contradicts or substantially alters any terms it purports to clarify, modify, explain or otherwise relate to.
- Whether the disclosure employs only abbreviations commonly understood by the public or approved by federal or state laws.

A disclosure that explains any other material information or claim in the print advertisement must be in close proximity to the information or claim.

In online advertising, disclosures are evaluated by:

- The placement and proximity of the disclosure. For example, disclosures placed on and visible on the same screen as the triggering claim.
- The prominence of the disclosure.
- Whether other parts of the website distract from the disclosure, including the size, color and graphic treatment of the disclosures as each relates to the rest of the website.

**Example 1**

A lease advertisement stating that a vehicle can be obtained for “lower monthly payments” without disclosing that the consumer will be required to make a large balloon payment as the last payment, a material term of the offer, is unfair and deceptive.

**Example 2**

The use of microscopic type, a color that does not stand out from its background or an extremely thin type style that appears in reverse on a screened background, wherever located in advertisement copy, is deceptive because it makes a disclosure not “readily noticeable.”

**Example 3**

The use of a disclosure, even when using type of sufficient size to be easily legible, is deceptive if the disclosure is separated from the term to which it relates by other text or graphics because, given the layout, the disclosure will not be “conspicuous.” This includes disclosures at the bottom of a page when the advertisement is at the top of the page or disclosures on the reverse side from the advertisement.

**Example 4**

The use of different voices and music during the disclosures – such that the disclosures seem to be part of a separate advertisement – is deceptive.

**Example 5**

The speed or timing of disclosures in TV and radio ads that is too fast or too small to be read or understood by the average consumer is deceptive.

**Example 6**

Disclosures on internet ads that are not directly linked to the webpage where the vehicle is priced or offered for sale are unfair and deceptive.

### **Remember This**

It is deceptive to use one or more footnotes or asterisks in which disclaimers or disclosures, alone or in combination, confuse, contradict, materially modify or unreasonably limit the principal message of an advertisement.

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## **False and misleading advertising practices**

### **False or Erroneous Impression**

The use of any statement, type, size, style, location, sound, lighting, color, layout, headline or illustration in an advertisement that could create a false impression as to any material aspect of a vehicle offered for sale or that could permit an erroneous impression as to the prices or terms is unfair and deceptive.

#### **Example 1**

A headline across an advertisement featuring 10 vehicles stating “percent off manufacturer’s suggested retail price” when only two of the 10 featured vehicles are available for purchase at that price is unfair and deceptive.

#### **Example 2**

A layout combining a purchase price and a monthly lease payment may lead a consumer to believe that the monthly payment is for the purchase, not the lease, of the vehicle. The practice of combining lease advertisements with offers to purchase vehicles has the potential to create confusion, and therefore appropriate disclosures should be made if such advertising is used.

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### **Remember This**

The use of footnotes to disclose material terms and conditions related to a monthly payment for a lease is deceptive if the other material terms of the lease are not clearly and conspicuously disclosed in close proximity to the monthly payment.

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### **Dealer Size References**

Falsely representing or implying that a dealer can and does sell vehicles at lower prices than other dealers as a result of its size, inventory or sales volume is unfair and deceptive. See OAC 109:4-3-16(B)(2).

### **‘Factory Outlet’ or Similar Terms**

The use of “factory outlet,” “authorized distribution center,” “factory

authorized sale,” “special purchase” or similar terms to imply that the dealer has a special affiliation, connection or relationship with the manufacturer that is greater or more direct than that of any other dealer when no such special affiliation, connection or relationship exists is unfair and deceptive. See OAC 109:4-3-16(B)(2).

### **‘Liquidation Sale’ and Similar Terms**

The use of “liquidation sale,” “public notice,” “close-out sale,” “public sale,” “lost-our-lease sale” or similar terms used to induce a belief that, upon disposal of the stock of goods on hand, the business will cease and be discontinued at the premises where the sale is conducted – unless such is the case – is unfair and deceptive. A distress sale must not extend for greater than an initial 45 days without the motor vehicle dealer disclosing the extension on advertisements. The total length of the sale must not exceed 90 days. See OAC 109:4-3-16 and 109:4-3-17.

### **‘Repossessed’ or Similar Terms**

The use of “repossession sale,” “seized vehicles” or similar terms to induce a belief that the vehicles were obtained in a specific manner and therefore will be sold at lower prices – unless such is the case – is unfair and deceptive. See OAC 109:4-3-16.

### **‘Free’ Advertising**

Generally, “free” or similar terms may be used only when the cost of the free good or service is not passed on to the consumer by raising the regular (base) price of the goods or services that must be purchased in connection with the free offer. Similar terms include “without limitation,” “50% off with purchase of car,” “gift,” “without charge” and “bonus.” See OAC 109:4-3-04.

### **Negotiated Transactions**

Advertisements for goods or services that are usually sold pursuant to individually negotiated transactions (such as most motor vehicle sales) must meet the following requirements if advertisements contain a “free” offer:

- The motor vehicle dealer must be able to establish a mean average price for the vehicle immediately before the “free” offer.
- The mean average price for the vehicle during the “free” offer must not exceed the mean average price immediately before the offer.
- The vehicle must be fungible.
- All terms, conditions and obligations upon which the receipt of the “free” item is contingent must be clearly and conspicuously disclosed at the outset of the offer. Disclosure of the conditions of the offer in a footnote referenced by an asterisk or another symbol does not constitute making the disclosure at the outset of the offer.
- Any conditions must appear in close proximity to the “free” offer.

# Vehicle and Price Availability

## Vehicle Availability

It is unfair and deceptive for a dealer to offer a vehicle at a specific price or terms and subsequently fail to make that vehicle available for sale. See OAC 109:4-3-16(B)(5).

## Advertising a Vehicle Not in Stock

If an advertised vehicle is not in stock, the advertisement must specify that the vehicle is not in stock and must be ordered. See OAC 109:4-3-16(B)(4) and (B)(7).

### Example

A dealer may not solicit a consumer in an advertisement for a specific vehicle and then refuse to show the consumer the advertised vehicle when, in fact, that vehicle is for sale.

## Disclosure of a Limited Number of Vehicles Available at an Advertised Price

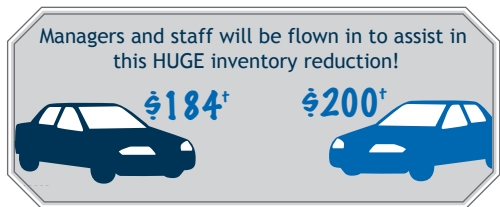
When the number of vehicles available at the advertised price is not likely to meet reasonably anticipated demand, the advertisement must include a statement indicating the number of vehicles in stock at the advertised selling price. All advertised prices must apply to all model vehicles as described in the advertisement for the same period of time, unless the advertisement clearly and conspicuously discloses the limitations. The failure to disclose that a limited number of vehicles are available at a particular price is deceptive. See OAC 109:4-3-16(B)(8) and (C)(1).

### Example 1

Disclosures that properly convey quantity limitations include “Only one at this price” and “Five cars at this price, 15 others in stock.”

### Example 2

It is unfair and deceptive to use only a stock number to indicate that a limited number of vehicles are available at an advertised price.



## Disclosure of Beginning and Ending Dates

Generally, the beginning and ending dates for a sale or an offer for the sale of a motor vehicle must be disclosed. If the specific number of vehicles for sale at a particular price is disclosed, only the beginning date must be stated and the ending date may be disclosed by use of the phrase “while supply lasts.” Unless a limited number of vehicles at a particular price are available for sale, the beginning date need

not be disclosed if the sale or offer begins on the same date that the advertisement is run. An advertisement that fails to disclose the duration of a timed or limited offer – including manufacturer’s rebates, sales or special promotions – is unfair and deceptive. See OAC 109:4-3-16(B)(26).

**Example 1**

Disclosures that convey time duration limitations include “Advertised prices good March 15-20” and “Prices in effect today only.”

**Example 2**

It is unfair and deceptive for a dealer to disparage the advertised vehicle and try to sell the consumer another vehicle.

**‘No Money Down’ or ‘\$0 Down’**

The use of these or similar phrases is deceptive when a dealer fails to clearly and conspicuously disclose that any charges – such as tax, title and fees – must be paid by the consumer to the dealer at the time the contract is signed.

## **Price Advertising**

**‘Lowest Price’ Representations**

The use of “lowest prices,” “guaranteed lowest prices,” “prices lower than anyone else’s” or similar terms is unfair and deceptive unless such claims can be substantiated.

**‘As Low As’**

The use of the terms “as low as” or “up to X% off ” is unfair and deceptive unless the advertisement indicates how many vehicles are being sold at those prices or the dealership has an adequate number of vehicles to meet the anticipated demand.

**Price Comparisons to ‘Cost,’ ‘Dealer’s Cost,’ ‘Actual Cost’ or Similar Terms**

Comparing the offering price to the “dealer’s cost,” “actual cost,” “cost” or similar terms is inherently deceptive and misleading. These terms have no fixed, uniform meaning because of the difficulty in determining the dealer’s net cost at the time of sale. It also is deceptive because dealers ascribe different meanings to the phrase “dealer cost” and similar terms. See OAC 109:4-3-16(B)(12).

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**Remember This**

If a dealership uses the term “as low as” in an advertisement, the advertisement must indicate how many vehicles are available at that price.

## **Invoice Pricing**

Comparing the price for a new motor vehicle to the vehicle's "invoice" price is permissible because the "invoice" price, with additional disclosures, provides a potentially valuable reference point for consumers making price comparisons. Specifically, "invoice" refers to a document provided to the dealer by the manufacturer.

To many consumers, "factory invoice" and "invoice" may mean the actual amount paid by a dealer to obtain an advertised new vehicle. However, because of holdbacks and other manufacturer-to-dealer incentives, a new vehicle's "invoice" price may not reflect the dealer's actual cost for the vehicle. Those who elect to engage in "invoice" price advertising must do so in a manner that is not unfair, deceptive or misleading to the public.

All motor vehicle "invoice" advertisements in Ohio must clearly and conspicuously disclose the following: "FACTORY INVOICE MAY NOT REFLECT THE DEALER'S ACTUAL COST."

Advertisements that reference invoice pricing must use terms that clearly convey that the invoice referred to is the factory or manufacturer's invoice. All references to factory or manufacturer's invoice must be to the final price listed on such invoices. If a dealer engages in vehicle "invoice" advertising, the original or a copy of the invoice must be readily available at the dealer's place of business for inspection by prospective customers.

Vehicles offered for sale must be available for purchase at the advertised prices. Therefore, it is not permissible to advertise an "invoice" price and include a disclaimer such as "Plus dealer-installed options." If the dealership has a class of vehicles in stock, some with dealer-installed options and others without, the advertisement must disclose that the number of vehicles advertised at a price below, at or over factory invoice is limited unless the dealership has an adequate number of vehicles of each class available to meet expected demand. If the dealer has already installed options on the vehicles being advertised, the price of the options must be included in the vehicle's advertised price. See OAC 109:4-3-16(B)(10).

### **Example**

A dealer plans to offer a vehicle at \$100 under factory invoice. Pinstripes have already been applied to the vehicle by the dealership, and the dealer intends to charge an additional \$200 for them. The advertisement must reflect a price of "\$100 over" rather than "\$100 under" factory invoice.

### **Use of 'MSRP,' 'List,' 'Sticker' or Similar Terms**

"MSRP," "list," "sticker" or similar terms may be used only to refer to the

Manufacturer's Suggested Retail Price for a new motor vehicle. See OAC 109:4-3-16(B)(9) and (B)(10).

**Example 1**

An advertised price for a used vehicle may not be compared with the MSRP or new vehicle invoice price for that vehicle.

**Example 2**

A manufacturer provides a Monroney sticker showing the base price of a vehicle and additional charges for various options. The option charges and the base price are subtotaled on the Monroney sticker to yield the "high sticker" price. Farther down on the sticker, various "option package discounts" or other promotional "discounts" may be deducted from the "high sticker" in order to arrive at the "low sticker" price. The "low sticker" price is the MSRP for the vehicle; it is the only price that may be compared with the dealer's offering price. Use of the "high sticker" price as the MSRP in an attempt to show larger savings is deceptive, because the adjusted "low sticker" price was predetermined by the manufacturer at the time of production and the vehicle, as equipped, was not intended to be offered at the "high sticker" price. References to "savings" from the "high sticker" price are illusory and deceptive.

**Conversion Van Advertisements**

Unless a Monroney sticker is supplied by a licensed second-stage manufacturer or remanufacturer, it is deceptive to advertise a price for a conversion van without separately stating the "list" price or MSRP for the vehicle, the price of the conversion van package and the discounts or deductions being applied to each of those prices to arrive at the advertised price for the van. See OAC 109:4-3-16(B)(31).

**Notice of Advertised Price**

Consumers must be notified at the point of sale of the currently advertised price for a motor vehicle. It is deceptive to sell a motor vehicle for more than the advertised price if such a price has not been communicated to the purchaser. See OAC 109:4-3-16(B)(34).

**Disclosure of Major Options**

An advertisement is deceptive if it does not disclose the major options that are included in the advertised price. Examples include air-conditioning, power windows, cruise control, automatic or manual transmission, and AM/FM stereo. See OAC 109:4-3-16(B)(3).

**Rebates, Discounts or Price Reductions of Limited Availability**

If a rebate, discount or price reduction is not available to all consumers, the amount may not be subtracted to arrive at an advertised price. The availability of such a rebate or discount may be separately stated



if all material conditions or requirements that must be satisfied for a consumer to obtain the rebate, discount or price reduction are clearly and conspicuously disclosed in close proximity to the amount of the rebate, discount or price reduction in easily noticeable print. A “rebate” is incentive money offered from a manufacturer to a consumer as an inducement to purchase a particular model of vehicle. A “discount” is a reduction in price offered by a dealer. The terms may not be interchanged; the practice of calling a “dealer discount” a “rebate” is deceptive.

### **Example 1**

It is deceptive for an advertisement to show a purchase price that includes rebates not available to all consumers, such as the First Time Buyer and the College Graduate rebates. It is permissible for an advertised price to include a factory rebate available to all consumers if it is disclosed in the advertisement. The general availability of limited rebates may be advertised if all the requirements for obtaining them are disclosed.

### **Example 2**

It is deceptive for an advertisement to show a purchase price that includes cash paid or the value of a trade-in vehicle in the purchase price calculation, thereby stating a deceptively low purchase price, which represents an illusory savings.

### **Example 3**

If an advertisement includes a price available to all and a price available to a limited number of consumers, the two prices must be equal in size and equally clear and conspicuous. All requirements necessary to obtain the limited availability price must be clearly and conspicuously included in the advertisement.

## **Advertised Price Including Reduction for Rebate Available to All Consumers**

It is unfair and deceptive to advertise a price for a vehicle that includes a deduction for a rebate available to all consumers without clearly and conspicuously disclosing the fact that it is a rebate and without listing the amount of the rebate in close proximity to the price. See OAC 109:4-3-16(B)(21).

## **Advertising Any Price Other Than the Purchase Price Exclusive of Governmental and Documentary Fees**

The use, by a dealer, of any price figure in an advertisement that does not represent the actual purchase price of the advertised automobile exclusive of registration, licensing fees, title fees, taxes and a permissible documentary service charge is unfair and deceptive. See OAC 109:4-3-16(B)(21).

### Example

The advertised price for a vehicle may not reflect the price after a down payment is made, such as “Yours for \$10,000 with a \$2,000 down payment.” The advertisement for this vehicle may refer only to \$12,000 as the purchase price.

### Disclosure of Dealer or Other Contribution to Rebate, or Similar Program, and Effect on Consumer Costs

It is unfair and deceptive to advertise a rebate or similar program without disclosing that a dealer has paid a portion of the rebate or given up something of value in order to participate in the program, if that is the case. A proper disclosure includes “Dealer contribution may affect consumer cost.” See OAC 109:4-3-16(B)(27) and (C)(5).

### Example

If a dealer has paid a fee or has agreed to forgo the ability to negotiate for a higher dealer reserve to obtain an advertised financing rate, the advertisement must state “Dealer contribution may affect consumer cost.”

### Advertising a Specific Trade-In Price or Minimum Allowance

It is deceptive to advertise or offer a specific price or a guaranteed minimum allowance that a dealer will pay for any trade-in vehicle unless the price of vehicles offered for sale by that dealer is within the dealer’s usual range of prices for those vehicles. The dealer shall not increase the price of the purchased vehicle

**\$2,500 GUARANTEED TRADE-IN!**  
Managers and staff will be flown in to assist in this HUGE inventory reduction!

ex 10000

ex 10000

**LOW PAYMENTS**  
†Payments are bi-weekly and require that buyer be qualified.

The advertisement is a rectangular graphic with a double-line border. At the top, it says "\$2,500 GUARANTEED TRADE-IN!" in large blue letters. Below that, in smaller blue text, it says "Managers and staff will be flown in to assist in this HUGE inventory reduction!". In the center, there are two blue car silhouettes. Above the left car is "\$184†" and above the right car is "\$200†". Below the cars, it says "ex 10000" on the left and "LOW PAYMENTS" in large blue letters in the center. At the bottom, in small blue text, it says "†Payments are bi-weekly and require that buyer be qualified."

because of the amount offered for the trade-in. The advertised price/allowance must be paid for all vehicles unless any limitations are clearly and conspicuously disclosed. See OAC 109:4-3-16(B)(17) and (B)(23).

Payments cannot be anything other than monthly, whether disclosed in a footnote or in the body of the ad.

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### Remember This

It is deceptive to advertise the price to be paid for a trade-in as a range of prices, such as “up to \$2,000” or “as much as \$2,000.”

# Advertisement of Used Rental and Demonstrator Vehicles

## **Disclosing That a Vehicle Is Used**

If a current or previous model year vehicle is used, that fact must be disclosed by use of the words “used,” “previously owned” or “pre-owned.” See OAC 109:4-3-16(B)(13).

## **Disclosing That a Vehicle Was Used as a Demonstrator Vehicle**

An advertisement for a vehicle that has been used as a demonstrator vehicle and has been driven less than 6,000 miles must clearly and conspicuously disclose that material fact. A vehicle that has been used as a demonstrator vehicle and has been driven less than 6,000 miles should be sold as a new demonstrator vehicle. The retail Buyer’s Order or Lease Agreement will reflect it as a new vehicle because it has never been titled to an ultimate purchaser, but it should also include a disclosure similar to the following: “This vehicle has been used for demonstration purposes but is considered used pursuant to the FTC Used Car Rule.” When displayed for sale, such a vehicle should have affixed both the Monroney sticker and a Used Car Buyers Guide, as required by the FTC Used Car Rule. A vehicle that has been used as a demonstrator vehicle and has been driven less than 6,000 miles must be disclosed to the consumer as a demonstrator. See OAC 109:4-3-16(A)(8) and 109:4-3-16(B)(15). A vehicle that was formerly used as a demonstrator, factory official vehicle or rental vehicle must be disclosed if that history is known by the dealer. OAC 109:4-3-16(B)(15).

## **Certified**

Use of the term “certified” in connection with the sale or lease of used motor vehicles is deceptive unless the manufacturer has an established inspection program for pre-owned vehicles backed by the manufacturer’s warranty and the vehicle to which the term is applied has passed an inspection according to the manufacturer’s standards. When advertising certified vehicles, the dealer must be able to substantiate his certification standards and procedures and demonstrate how such vehicles provide a greater benefit to consumers.

# **General Requirements for Credit and Lease Advertising**

Automobile advertisements must comply with the disclosure requirements contained in the Federal Truth in Lending Act, 15 United States Code Sections 1601 et seq.; Regulation Z, 12 Code of Federal Regulations (“CFR”) Part 226; Regulation M, 12 CFR Part 213; and Ohio’s Consumer Sales Practices Act, Chapter 1345 of the Ohio Revised Code, and its Substantive Rules, Chapter 109:4-3 of the Ohio Administrative Code.

## **Promises of Credit**

“Financing for all,” “no credit rejected,” “we finance everyone,” “bad credit, no problem,” “credit problems, we can help” or words that imply that credit is available to all applicants may not be used unless a summary of all the material terms and conditions relating to a consumer’s ability to obtain credit are disclosed. This requires disclosure of trade-in amounts, down payment amounts and credit terms, such as higher annual percentage rates, required to obtain credit.

### **Example 1**

It is deceptive to advertise that all credit applications are accepted and simultaneously disclose in a footnote that not all credit applications are approved.

### **Example 2**

If a dealer’s advertisements imply that no prospective credit purchaser will be rejected because of his or her inability to qualify for credit, the dealer must provide credit to a purchaser who requests it. If, as a result of extending credit in these circumstances, the dealer will increase the price of the vehicle, the advertisement and sale documents must comply with the federal Truth in Lending Act and include appropriate disclosures.

## **Qualified Buyer or Qualified Lessee Restrictions**

If credit terms or particular prices are limited to “qualified buyers” or “qualified lessees” or otherwise “subject to approved credit,” the advertisement must clearly and conspicuously state all applicable “qualifications.” See OAC 109:4-3-16(B)(1) and 109:4-3-02.

## **Disclosure of Limited Availability of Financial Rates and Cost to Consumer**

When advertising a financing rate, any rate that is limited to particular vehicle models or model years or is available only during a particular period must be clearly and conspicuously disclosed. If a consumer

must incur any additional expense — say, purchase additional options or services or pay a higher price for the vehicle, options or services purchased — to obtain the advertised financing rate, that restriction and the amount of the additional expense must be clearly and conspicuously disclosed. Such disclosure also must be made for any other condition, qualification or limitation that affects the availability of such a rate.

**Example**

“0% financing on select vehicles” is deceptive when the advertisement does not specify which vehicles are subject to 0% financing, what credit conditions apply and what other expenses the consumer must incur.

**Financing Rate Buydowns**

“Buying down” a finance rate occurs when the dealer makes an advance payment to a third party or agrees to forgo the ability to negotiate for a higher interest rate and, consequently, a higher dealer reserve in order to obtain a lower finance rate. In some cases, the cost of “buying down” the finance rate may be passed on to the consumer by increasing the selling price of the vehicle. That is, below-market credit consumers pay a higher price than cash-tendering or market-rate credit consumers. Failure to disclose the difference between the “cash” and “credit” price, which is a hidden finance charge and which must be included in the APR calculation, violates the Truth in Lending Act; it is unfair, misleading and deceptive.

**‘No Money Down’**

Use of the term “no money down” or “low monthly payments” when credit terms are conditioned on an undisclosed trade-in allowance or a higher APR is deceptive.

**Monthly Payments**

The use or statement of an installation payment on any basis other than monthly is unfair and deceptive. OAC 109:4-3-16(D)(1) and 109:4-3-16(D)(2).

**Example**

Advertising biweekly or semimonthly payments is unfair and deceptive.

**Terms**

It is deceptive to advertise a sale at terms that are not actually available.

**Write Your Own Deal**

Advertising that creates the false impression that the purchaser will determine the terms, price or conditions of a sale — such as “write your own deal,” “name your own price,” “name your own monthly payments,” “appraise your own car” or statements with similar meaning — are untrue; thus, they are unfair and deceptive.

# Credit Advertising

Advertisements offering credit for the purchase of an automobile are an offer for “closed-end credit.” Offering to sell a vehicle with an “open-end credit” account violates the Truth in Lending Act if there is no expectation of repeated extensions of credit. In a typical “closed-end credit” transaction, credit is advanced for a specific period and the amount financed, the finance charge and the schedule of payments are agreed upon by the lender and the consumer. The required disclosures must be displayed in the advertisement clearly and conspicuously and in close proximity to the offer of credit for the sale of an automobile. No advertisement may state that a specific amount of credit, a specific installment payment or a specific down payment can be arranged unless a creditor can, in fact, make those arrangements for consumers with approved credit. The Federal Truth in Lending Act and Regulation Z require advertisements promoting “closed-end credit” containing any of four triggering terms, shown below, to also contain three specific disclosures.

## Triggering Terms

(1) The amount or percentage required as a down payment

### Examples

“10% down payment” “\$200 down”

“85% financing”

(2) The amount of any payment expressed either as a percentage or as a dollar amount

### Examples

“\$199 per month”

“Monthly payments less than \$150” “Pay 5% per month”

(3) The number of payments or period of repayment

### Examples

“48 monthly payments” “36 months to pay”

“Six-year loans available” “Take up to 72 months to pay”

(4) The amount of any finance charge

### Examples

“Less than \$400 in interest” “Financing costs of less than \$400”

“\$400 financing”

## Disclosures

If any of the triggering terms are used in a “closed-end credit” advertisement, the following three disclosures must also be clearly and conspicuously included in the advertisement:

- The amount or percentage of the down payment
- The terms of repayment
- The “annual percentage rate,” using that term spelled out in full or the abbreviation “APR.” If the APR may be increased after consummation of the credit transaction, that fact must be disclosed. A simple annual rate or periodic rate that is applied to an unpaid balance may be stated in conjunction with, but not more conspicuously than, the APR.

## **Consumer Lease Advertising**

The Federal Truth in Lending Act and its regulations also cover consumer leases because they represent an alternative to buying on credit. Unless certain information is provided, a consumer might easily confuse leasing with purchasing on credit. If an advertisement promoting a consumer lease contains either of the two triggering terms shown below, then five specific disclosures must be clearly and conspicuously included in the advertisement.

### **Triggering Terms**

(1) The amount of any payment

#### **Example**

“\$199 per month”

(2) A statement that any or no down payment or other payment is required at the beginning of the lease

#### **Examples**

“No down payment required.”

“Lease now, and make no payments for three months.”

“Leave your pocketbook behind, and return home in your easy-to-lease automobile.”

“\$499 due at lease inception.”

### **Required Disclosures**

If a triggering term is used in a consumer lease advertisement, the following five disclosures also must be clearly and conspicuously included in that advertisement:

- A statement that the transaction advertised is a lease
- The total amount of any payment (such as a security deposit, capitalized cost reduction or lease acquisition fee) required at the beginning of the lease or a statement that no such payment is required
- The number, amounts, due dates or periods of scheduled payments
- The fact that a lease is “open-ended.” Regulation M assumes all other

advertised lease transactions are “close-ended.”

- A statement of the amount (or the method of determining the amount) of any liabilities the lease imposes upon a lessee at the end of the term, including, if applicable, a statement that the lessee shall be liable for (A) an excessive mileage charge including the rate and the mileage above which that charge must be paid; (B) a disposal fee and the amount of the fee; and (C) the lessee’s liability for the difference between the estimated value of the leased property and its realized value at the end of the lease term

### **Disclosure Format**

The required disclosures must be set forth in a format that complies with OAC 109:4-3-16(D)(2), which requires advertisements featuring a monthly lease payment to clearly and conspicuously disclose the following: (1) the fact that the transaction is a lease; (2) the amount of any down payment; and (3) the number of payments.

To reconcile Ohio law with Regulation M, the Attorney General’s Office will interpret the requirement, as stated in OAC 109:4-3-16(D)(2), to disclose “down payment” as being satisfied by disclosure of the “total amount due at lease inception.” In order to meet this exception, disclosure of the “total amount due at lease inception” must follow the same format requirements for disclosure of the “down payment.”

### **Disclosure That the Offer Is for a Lease**

It must be clearly evident from the advertisement that the vehicle is being offered for lease, not for purchase. It is recommended that the disclosure be made beside the advertised vehicle’s picture or the monthly payment.

#### **Example**

The use of language implying a purchase transaction, such as “Drive For” or “Yours For,” in reference to a monthly lease payment or the sum of the lease payments is deceptive unless the offer is clearly disclosed to be a lease.

### **Accurate Disclosure of Costs Associated With the Lease**

All costs for the consumer to obtain the vehicle at the advertised price must be clearly and accurately disclosed. If the lease payments are to be other than monthly payments, disclose that fact and make sure the advertisement does not give the impression that the payments are to be made on a monthly basis when they are not. Do not hide balloon payments, amounts due at the inception of the lease, excess mileage charges and/or terms or conditions of the lease that are not standard within the industry in small print.



# Advertising Prizes

To generate further business, motor vehicle dealers often advertise prizes in conjunction with their dealership sales. In advertising prizes, dealers must comply with OAC 109:4-3-06, and Chapter 2915 of the Ohio Revised Code.

It is unfair and deceptive for a dealer to notify a consumer or prospective consumer that the consumer has won a prize or will receive an item of value if such is not the case.

## Conditions

It is unfair and deceptive for a dealer to notify a consumer or prospective consumer that the consumer has won a prize or an item of value without disclosing clearly and conspicuously all material terms and conditions necessary to win the prize, including (but not limited to) the market value of all prizes, the number of each prize that will be given at each location, the odds of winning each prize, how a list of winners may be obtained, what personal information must be given in order to be considered for a prize and, if the supplier intends to share or sell that personal information, how the consumer can opt out of sharing his or her personal identification information.

## Obligations of Consumer

It is deceptive for a dealer to notify a consumer or prospective consumer that the consumer has been selected or is eligible to win a prize or an item of value if the receipt of the prize is conditioned on the consumer listening to or attending a promotional offer or event unless that requirement is clearly and conspicuously disclosed. The dealer also must disclose the market value of the prize and the fact that the prize cannot benefit the consumer without the consumer's expense.

## Example

It is deceptive for a dealer to advertise that a consumer has won a vacation package if the dealer knows, and does not disclose, that the receipt of the vacation package is conditioned on the consumer listening to a sales presentation while at the vacation destination.

## Fees

It is deceptive to notify a consumer or prospective consumer that the consumer has won a prize or an item of value if the receipt of the prize is conditioned on the

You are specially selected as a  
**GUARANTEED WINNER** of 2 of 5 prizes!\*  
A Used 2018 car!  
\$1,000 shopping spree! - NEW TV -  
3-day/2-night vacation - \$50 cash

\*1 in 100,000 wins car, 1 in 100,000 wins TV, 1 in 100,000 wins cash  
99,997/100,000 wins shopping spree, 99,997 wins vacation; taxes and shipping costs responsibility of winner

payment of a fee – including service charge, handling charge, mailing charge or similar charge. Charging a fee for the chance to win a prize may constitute illegal gambling, in violation of ORC 2915.02.

All terms related to a prize must be clearly and conspicuously disclosed. A footnote disclosure of the chance of winning is not clear and conspicuous.

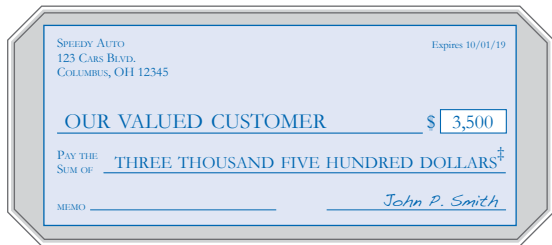
### **Simulated Checks**

It is deceptive to use a simulated check in an advertisement for the sale or lease of a vehicle.

#### **Example**

A “simulated check” means any document that is not currency or a check, draft, note, bond or other negotiable instrument but that, because of its appearance, has the tendency to mislead or deceive any person viewing it into believing that it is, in fact, some kind of currency.

Using a check in an advertisement is deceptive because it tends to mislead or deceive people viewing it into believing it is a kind of currency.



## **Internet/Online Advertising**

A company’s website content is an advertisement.

### **Internet/Online Advertising**

Advertisements on websites, through email or in other electronic forms, are subject to the advertising rules that apply in other media.

#### **‘Clear and Conspicuous’ Disclosures on the Internet**

Motor vehicle dealers should consider the placement of the disclosure on a website, its proximity to the relevant claim, the prominence of the disclosure, whether items on other parts of the website distract from the disclosure, whether the disclosure is so lengthy that it needs to be repeated and whether the language of the disclosure is understandable. Information significant to the advertised offer should not be buried at the end of a long website that requires consumers to scroll past unrelated information.

To make internet disclosures clear and conspicuous, a motor vehicle dealer should:

- Place disclosures near and, if possible, on the same screen as the triggering claim or term.

- Use necessary triggers to encourage consumers to scroll down to read any disclosures that are not on the same screen.
- Make hyperlinks obvious and consistent and label them to convey the importance and nature of the information they lead to. Try to use hyperlinks for disclosures as rarely as possible. If a hyperlink is necessary, it should lead directly to the disclosed information and not require scrolling or further hyperlinks.
- Prominently display disclosures so they are noticeable to consumers and adjust the size, color and graphic treatment so the disclosures stand out against other parts of the website.
- Repeat disclosures as needed.

### **Example 1**

Banner advertisements on the top of other websites are advertisements that must clearly and conspicuously disclose any material conditions or information.

### **Example 2**

Email advertisements must have all disclosures within the email and not require a consumer to hyperlink to the disclosures.

### **Example 3**

Pop-up windows should not be used to display material disclosures.

### **Example 4**

Vague labels such as “Terms and Conditions” or “Further Information” are not enough to direct consumers to important disclosures.

A disclosure qualifies or limits a claim only to avoid a misleading impression; it CANNOT cure a false claim. A disclosure that contradicts a claim does not prevent the advertisement from being deceptive.

## **Direct Mail Solicitations on the Internet**

Not all online advertisements are considered direct mail solicitations. Consumers who view websites or chat boards are likely to understand that the goods or services being offered are offered to everyone and that those people have not been specially selected to view the offer. Emails are direct solicitations and must not falsely imply that a consumer is specially selected for an offer when that is not the case.

# Television Advertising

Dealers should consider the following guidelines when designing their television advertisements to ensure that they are fair and not deceptive:

- Display visual claims or disclosures on the screen for at least five continuous seconds or whatever time is necessary to allow a viewer to have a reasonable opportunity to read and understand the statement, representation or term.
- Display visual claims or disclosures that contrast readily with the background.
- Display visual claims or disclosures in a type size sufficiently large to be read with reasonable ease.
- Make audio claims or disclosures consistent with the recommendations for radio advertisements that immediately follow this section.

# Radio Advertising

To ensure that radio advertisements are fair and not deceptive, all claims and disclosures should:

- Be spoken with sufficient deliberateness, clarity and volume so as to be understood by the average radio listener and not be obscured by sounds that interfere with or distract from the disclosures being made.
- Be at a decibel level equal to the highest decibel level used in the advertisement.
- Be at a speed equal to or slower than any other statement, representation or term contained in the advertisement.

# Sample Used Car Ad

Use the numbered key below to learn more about deceptive auto advertising.

# CONGRATULATIONS!

**1** You are specially selected as a **GUARANTEED WINNER** of 2 of 5 prizes!<sup>\*</sup> **2**  
A Used 2018 car!  
\$1,000 shopping spree! - NEW TV -  
3-day/2-night vacation - \$50 cash

**3** **\$2,500 GUARANTEED TRADE-IN!**

**4** Managers and staff will be flown in to assist in this HUGE inventory reduction!



**6** ss 10000

## LOW PAYMENTS

In addition to our ALREADY LOW prices, we'll take an additional \$3,000 off any pre-owned vehicle in stock!

*Credit Problems? We can help!  
All applications accepted!!*

**7**

# SPEEDY AUTO

**8** **USED CAR LIQUIDATION**  
**3 DAYS ONLY! SEPTEMBER 5-7**  
**HURRY! THIS DEAL WON'T LAST!**

**9** \*1 in 100,000 wins car, 1 in 100,000 wins TV, 1 in 100,000 wins cash  
99,997/100,000 wins shopping spree, 99,997 wins vacation; taxes and shipping costs responsibility of winner.  
†Payments are bi-weekly and require that buyer be qualified.

- 1** The use of the words “specially selected” or similar terms is deceptive if, in fact, the consumer has not been specifically targeted with the ad.  
.....
- 2** Dealerships must disclose all requirements to be fulfilled to win the prize. For instance, if the consumer is required to attend a presentation on time shares while on the vacation, the dealership must disclose this fact. The footnote disclosure of the chance of winning is not clear and conspicuous.  
.....
- 3** This ad falsely implies that consumers will obtain a guaranteed amount for their trade-in regardless of condition. Such advertising is deceptive if the price of the car offered for sale is increased because of the amount for the allowance, the amount of the trade-in is added to the new loan, or the offer fails to disclose that it is conditional on the purchase of additional options or services.  
.....
- 4** State licensing requirements must be followed for all motor vehicle sales staff.  
.....
- 5** Payments cannot be anything other than monthly regardless of whether disclosed in a footnote or in the body of the ad. This footnote is not clear and conspicuous because it is not placed close to the advertised price.  
.....
- 6** It is deceptive to use a stock number without explaining, when it is the case, that the advertised price applies only to a single vehicle.  
.....
- 7** The use of terms that imply credit is available to all applicants cannot be used unless a summary of all material terms and conditions relating to a consumer’s ability to obtain credit are disclosed. This requires disclosure of trade-in amounts, down payment amounts and credit terms (such as higher annual percentage rates) required in order to obtain credit. It is deceptive to advertise that all credit applications are accepted and disclose in a footnote that all credit applications are not approved.  
.....
- 8** It is unfair and deceptive to use “liquidation sale” or similar terms used to induce a belief that, upon disposal of the stock of goods, the dealership will cease and be discontinued on the premises unless such is the case. A distress sale cannot extend for greater than an initial 45 days without the supplier disclosing the extension on advertisements. The total length of the sale cannot exceed 90 days.  
.....
- 9** Anything that materially affects a consumer’s ability to obtain an advertised vehicle on the terms advertised must be clearly and conspicuously disclosed. It is deceptive to use one or more footnotes or asterisks in which disclaimers or disclosures, alone or in combination, confuse, contradict, materially modify or unreasonably limit the principal message of an advertisement. The use of any type size that is smaller than 10 points is not readily noticeable and is deceptive.

# Sample New Car Ad

Use the numbered key below to learn more about deceptive auto advertising.

## LABOR DAY BONANZA!

# CONGRATULATIONS!

You are specially selected as a **1**

**2** **GUARANTEED WINNER** of 2 of 5 prizes!\*

**A NEW 2019 car!**

‡**1,000 shopping spree!** - **NEW TV** -  
**3-day/2-night vacation** - ‡**‡50 cash**

**4**

Lease for ‡**‡285**  
a month with  
‡**‡0** down!

# SPEEDY AUTO

## LOW PAYMENTS

**3**

**1.1%**  
**APR!**

**5** *Save up to \$4,000 on 2019 Speedy Minivans<sup>†</sup>*

SPEEDY AUTO  
123 CARS BLVD.  
COLUMBUS, OH 12345

Expires 10/01/19

**6**

OUR VALUED CUSTOMER

\$

PAY THE  
SUM OF

THREE THOUSAND FIVE HUNDRED DOLLARS<sup>‡</sup>

MEMO \_\_\_\_\_

*John P. Smith*

## FREE OIL CHANGES FOR ONE YEAR!

**8**

\*1 in 100,000 wins car, 1 in 100,000 wins TV, 1 in 100,000 wins cash 99,997/100,000 wins shopping spree, 99,997 wins vacation; taxes and shipping costs responsibility of winner. †Includes owner/lessee loyalty rebate and factory rebate. ‡No cash value. Not to be redeemed in conjunction with any other offers.

- 1 The use of “specially selected” or similar terms is deceptive if, in fact, the consumer has not been specifically targeted with the ad.

---

- 2 Dealerships must disclose all requirements to be fulfilled to win the prize. For instance, if the consumer is required to attend a presentation on time shares while on the vacation, the dealership must disclose this fact. The footnote disclosure of the chance of winning is not clear and conspicuous.

---

- 3 The APR alone may falsely imply that the advertised rates are available to all consumers when, in fact, these offers often are limited to consumers with good credit. These low rates generally are available only on selected models or may require a substantial down payment.

---

- 4 This advertisement fails to clearly and conspicuously disclose the total amount due at lease inception, the number and amounts of scheduled payments, and that a security deposit is requested. It also fails to disclose mileage limitations and fees, termination fees, and maintenance and wear and tear responsibilities.

---

- 5 It is deceptive to falsely imply that an advertised price is available to all consumers when an inconspicuous footnote indicates that, in fact, a limited-availability rebate amount has been factored into the advertised sale price.

---

- 6 The use of vouchers that resemble checks is misleading and deceptive; it is discouraged. Such visuals are especially deceptive when they have an endorsement area on the back.

---

- 7 Often, the “free” merchandise is factored into the price of a car. If such is the case, the word “free” is deceptive and cannot be used. Also, auto dealers must disclose all terms and conditions of such offers.

---

- 8 Anything that materially affects a consumer’s ability to obtain an advertised vehicle on the terms advertised must be clearly and conspicuously disclosed. It is deceptive to use one or more footnotes or asterisks in which disclaimers or disclosures, alone or in combination, confuse, contradict, materially modify or unreasonably limit an advertisement’s principal message. The use of any type size that is smaller than 10 points is not readily noticeable and is deceptive.





**DAVE YOST**

OHIO ATTORNEY GENERAL

## **Guidelines for Motor Vehicle Advertising**

Ohio Attorney General's Office  
**Consumer Protection Section**  
30 E. Broad St., 14th Floor  
Columbus, OH 43215

**800-282-0515**

**[www.OhioAttorneyGeneral.gov](http://www.OhioAttorneyGeneral.gov)**