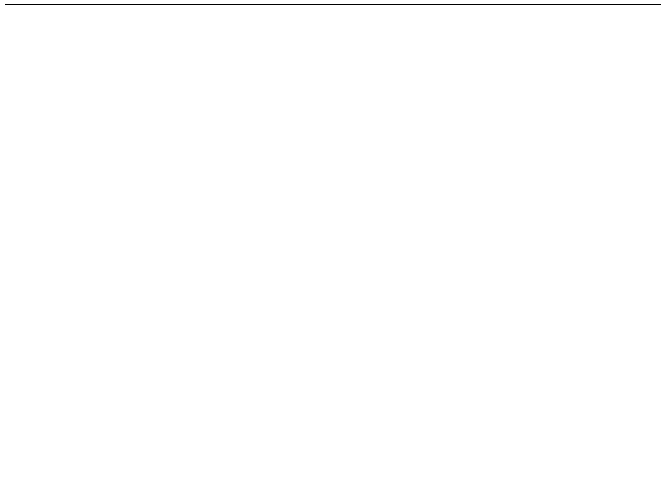


**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Julie Brill
 Maureen K. Ohlhausen
 Joshua D. Wright
 Terrell McSweeney



COMPLAINT

The Federal Trade Commission, having reason to believe that Matt Blatt Inc. and Glassboro Imports, LLC (collectively, “Respondents”) have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Matt Blatt Inc., also doing business as Matt Blatt KIA and as Matt Blatt Egg Harbor Township (“Matt Blatt Inc.”), is a New Jersey corporation, with its principal place of business at 6211 Black Horse Pike, Egg Harbor Township, New Jersey 08234. At all times material to this Complaint, Matt Blatt Inc. has advertised, marketed, distributed, or sold a “Biweekly Payment Plan” to consumers who are financing the purchase of an automobile.

2. Respondent Glassboro Imports, also doing business as Matt Blatt Glassboro Suzuki, as Matt Blatt Glassboro, and as Matt Blatt Auto Sales (“Glassboro Imports”), is a New Jersey corporation, with its principal place of business at 501 Delsea Drive North, Glassboro, New Jersey 08028. At all times material to this Complaint, Glassboro Imports has offered automobiles for sale and has advertised, marketed, distributed, or sold a “Biweekly Payment Plan” to consumers who are financing the purchase of an automobile. Respondents Matt Blatt Inc. and Glassboro Imports are commonly owned and controlled.

3. The acts and practices of Respondents alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.

Business Practices

4. Since at least November 2009, Respondents have advertised, marketed and sold a “Biweekly Payment Plan” (also referred to as the “Biweekly Payment Program”) as an add-on service to consumers financing the purchase of automobiles. Under the Biweekly Payment Plan, consumers make payments on their auto financing contract to a third-party company—National Payment Network, Inc. (“NPN”)—rather than to their financing entity.

consumers make 26 biweekly payments each year to NPN, which then makes a total of 13 monthly payments to the consumer's financing entity. Thus .

12. Respondents' savings claims do not account for the Biweekly Payment Plan's significant fees, which, as noted above, amount to more than \$775 on a standard five-year auto financing contract.

13. In many instances, consumers do not save any money with Respondents' Biweekly Payment Plan because they pay more in fees than they would save using the Biweekly Payment Plan.

FEDERAL TRADE COMMISSION ACT VIOLATIONS

Count I: Failure to Disclose Material Information About Fees and Program Effects

14. In numerous instances in connection with the marketing, promotion, offering for sale, or sale of automobiles or the financing of automotive loans, Respondents have represented, directly or indirectly, expressly or by implication, that consumers who enroll in the Biweekly Payment Plan will save money or achieve other benefits.

15. In numerous instances in which Respondents have made the representations described in Paragraph 14, Respondents have failed to disclose or to disclose adequately to consumers that in many instances:

- a. Consumers