

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

In The Matter of

BOZELL WORLDWIDE, INC., a corporation.

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that Bozell Worldwide, Inc., a corporation ("respondent" or "Bozell"), has violated the provisions of the Federal Trade Commission Act, 15 U.S.C. §§ 45-58, as amended, and the Consumer Leasing Act, 15 U.S.C. §§ 1667-1667e, as amended, and its implementing Regulation M, 12 C.F.R. § 213, as amended, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Bozell Worldwide, Inc. is a Delaware corporation with its principal office or place of business at 40 West 23rd Street, New York, New York 10010.
2. Respondent, at all times relevant to this complaint, has provided advertising services to Chrysler Corporation ("Chrysler") and to dealer marketing groups that promote Chrysler and Jeep vehicles ("Chrysler vehicles"). Respondent has disseminated advertisements to the public that promote consumer leases, as the terms "advertisement" and "consumer lease" are defined in Section 213.2 of Regulation M, 12 C.F.R. § 213.2, as amended.
3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
4. Respondent has prepared and disseminated or has caused to be prepared and disseminated consumer lease advertisements ("lease advertisements") for Chrysler vehicles, including but not necessarily limited to the attached Bozell Exhibit A. Bozell Exhibit A is a television lease advertisement (attached in video and storyboard format). The advertisement contains the following statements:

A.[Video:][Footage of two cars, exterior and interior shots]

"Sebring JX Convertible

\$299/mo. 30 mos."

[The advertisement contains the following disclosure at the bottom of the screen in white fine print superimposed on a black background for approximately 3 seconds:

"\$1,619 Due at signing (plus tax, title & license)
Limited model shown, higher. Call 1-888-
CHRYSLER for lease example details."

[Audio:] "Some decisions are harder than others. The Chrysler Sebring LXI Coupe or the Sebring Limited Convertible. For the passionate side. Fully independent suspension, speed sensitive

steering, multi-valve V6, and a luxurious leather-trimmed interior. The practical side -- lease the convertible for just two ninety-nine a month and on the coupe get one thousand cash back and luxurious leather at no extra charge. Some decisions are easier than others. Chrysler -- engineered to be great cars."

[Super:]

"\$1000 Cash Back

Chrysler Sebring Coupe"

[Chrysler logo]

ENGINEERED TO BE GREAT CARS" (Bozell Exhibit A).

Federal Trade Commission Act Violations

COUNT I: Failure to Disclose Adequately in Lease Advertising

5. In lease advertisements, including but not necessarily limited to Bozell Exhibit A, respondent has represented, expressly or by implication, that consumers can lease the advertised vehicles at the terms prominently stated in the advertisements, including but not necessarily limited to the monthly payment amount. These advertisements do not adequately disclose additional terms pertaining to the lease offer, such as the total amount of any payments due at lease inception. The existence of these additional terms would be material to consumers in deciding whether to lease a Chrysler vehicle. The failure to disclose adequately these additional terms, in light of the representation made, was, and is, a deceptive practice.

6. Respondent knew or should have known that the failure to disclose adequately material terms as set forth in Paragraph 5 was, and is, deceptive.

7. Respondent's practices constitute deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

COUNT II: Misrepresentation of Model Availability

8. In lease advertisements, including but not necessarily limited to Bozell Exhibit A, respondent has represented, expressly or by implication, that consumers can lease the Chrysler vehicles featured in respondent's advertisements at the lease terms prominently stated in the advertisements.

9. In truth and in fact, consumers cannot lease the Chrysler vehicles featured in the advertisements at the terms prominently stated in the advertisements. The prominently stated lease terms in respondent's advertisements apply to Chrysler models of lesser value than the Chrysler vehicles featured in the advertisements. The fine print disclosures in respondent's lease advertisements, including but not necessarily limited to "Limited model shown, higher" in Bozell Exhibit A, are inadequate to disclaim or modify the representation as alleged in Paragraph 8. Therefore, respondent's representation as alleged in Paragraph 8, was, and is, false or misleading.

10. Respondent knew or should have known that the representation set forth in Paragraph 8 was, and is, false and misleading.

CHRYSLER for lease example details."]

[Footage of two cars]

[Super:]

"\$1000 Cash Back

Chrysler Sebring Coupe"

"CHRYSLER

[Chrysler logo]

ENGINEERED TO BE GREAT CARS"