

9523200

9523201
B231299

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

_____)	
In The Matter of)	
)	DOCKET NO. C-3779
SUNTRUP BUICK-PONTIAC-GMC)	
TRUCK, INC. and)	
SUNTRUP FORD, INC.,)	
corporations, and)	
)	
THOMAS SUNTRUP,)	
individually and as an)	

COMPLAINT

The Federal Trade Commission, having reason to believe that Suntrup Buick-Pontiac-GMC Truck, Inc. and Suntrup Ford, Inc., corporations, and Thomas Suntrup, individually and as an officer of the corporations ("respondents"), have violated the provisions of the Federal Trade Commission Act, 15 U.S.C. §§ 45-58, as amended, 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 the Truth in Lending Act, 15 U.S.C. §§ 1601-1667, as amended, and its implementing Regulation Z, 12 C.F.R. § 226, as amended, and it appearing to the Commission that this proceeding is in the public interest, alleges:

[REDACTED]

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.

5. Respondents have disseminated advertisements to the public

[REDACTED]

[REDACTED]

credit in consumer credit transactions, as the terms "advertisement," "credit sale," and "consumer credit" are defined in Section 226.2 of Regulation Z, 12 C.F.R. § 226.2, as amended.

6. The acts and practices of respondents alleged in this complaint have been in an effecting purpose as "commerce" in

[REDACTED]

* * *

"1994 ESCORT LX
\$178** per mo. lease"

[A fine print statement at the bottom of the ad states,

"**24 mo. lease with 10% of MSRP cap reduction plus
first payment sec. dep. & license plus tax with 15,000
mi. per year and approved credit."] (Exhibit B)

C. "1995 PONTIAC GRAND AM COUPE . . .
LEASE \$188** 36 MONTHS"

[A fine print statement at the bottom of the ad states,

E. "'95 CENTURY SEDAN
\$249** per mo. lease"

[A fine print statement at the bottom of the ad states,
"'**36 mo. lease with 10% of MSRP cap reduction plus
first payment sec. deposit & license plus tax with
15,000 mi. per yr. and approved credit."] (Exhibit E)

FEDERAL TRADE COMMISSION ACT VIOLATIONS

8. In lease advertisements, including but not necessarily limited to Exhibits A, B, and D, respondents have represented, expressly or by implication, that consumers have no monetary

periodic payment.

9. In truth and in fact consumers are required to pay

significant amounts at lease signing including but not limited

14. Respondents' 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).

CONSUMER LEASING ACT AND REGULATION M VIOLATIONS
Count III: Failure to Disclose Required Information
Clearly and Conspicuously

15. In lease advertisements, including but not necessarily limited to Exhibits A through E, respondents have stated a monthly payment amount and/or the number of required payments.

16. These lease advertisements have failed to disclose clearly and conspicuously the following items of information required by Regulation M: the total amount of any payment such as a security deposit or capitalized cost reduction required at the commencement of the lease or that no such payments are required.

the total of scheduled payments due under the lease; a statement

"FORD CARS 3.9% FINANCING" (Exhibit B)

C. Along with the statements described in Paragraph 5.

Exhibit C contains the following credit terms,
"6.75% A.P.R. FINANCING ON CONTOURS for 48 Mos. PLUS
\$500 REBATE"

* * *

"3.9% FINANCING or \$600 REBATE . . .
1995 RANGER XLT"
(Exhibit C)

D. "2.9% APR FINANCING FOR 48 MONTHS OR \$750 CASH BACK
'95 FORD TAURUS"
(Exhibit D)

3.6% FINANCING Available on Bonneville . . .
\$18,995*" [A bar is superimposed over this sale price
figure that states "MAKE US AN OFFER!"]

[A fine print statement at the bottom of the ad states,
"***\$1000 DOWN CASH OR TRADE EQUITY. FOR QUALIFIED

