UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

| COMMISSIONERS: | Maureen K. Ohlhausen, Acting Chairman |
|-----------------------|---------------------------------------|
| | Terrell McSweeny |

| In the Matter of |) | DOCKET NO. C-4606 |
|--|---|-------------------|
| Asbury Automotive Group, Inc., |) | DOCKET NO. C-4000 |
| also d/b/a Coggin Automotive Group and |) | |
| Crown Automotive Group, |) | |
| a corporation; |) | |
| |) | |
| |) | |

COMPLAINT

The Federal Trade Commission, having reason to believe that Asbury Automotive Group, Inc., also d/b/a Coggin Automotive Group and Crown Automotive Group, a corporation ("Respondent"), has violated provisions of the Federal Trade Commission Act ("FTC Act"), and it appearing to the Commission that this proceeding is in the public interest, alleges:

- 1. Respondent is a Delaware corporation, with its principal office or place of business at 2905 Premiere Parkway, NW, Suite 300, Duluth, GA 30097. Respondent has marketed, advertised, offered for sale, and sold used motor vehicles.
- 2. The acts or practices of Respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.
- 3. Since at least November 2014, Respondent has disseminated or has caused to be disseminated advertisements promoting the sale of used motor vehicles.
- 4. Respondent's advertisements include, but are not necessarily limited to, advertisements and marketing materials posted on the websites www.cogginauto.com and www.crownauto.com, excerpts of which are attached as Exhibits A through E. On its website, on a page prominently titled "Coggin Certified," and on other pages similarly touting the "Crown Automotive Certified Program," it makes claims which include the following representations regarding certified used vehicles:

"Inspected, Reconditioned & Certified

Every Coggin Certified used car or truck has undergone a 150 point bumper-to-bumper inspection by Certified mechanics. We find and fix problems - from bulbs to brakes - before offering a vehicle for sale."

Exhibit A (excerpt from www.cogginauto.com)

"Our Crown Certified Used Vehicles Include: | 150 Point Bumper-to-bumper inspection . . .

Inspected, Reconditioned & Certified

Every Crown Certified used car or truck has undergone a 150 point bumper-to-bumper inspection by Certified mechanics. We find and fix problems from bulbs to brakes before offering a vehicle for sale."

Exhibit B (excerpt from <u>www.crownauto.com</u>).

"...Are your used cars inspected?

Answer: Yes, Crown Automotive sends every Crown Certified used vehicle through a rigorous 150 point inspection to ensure that every vehicle is in top shape before you take it home. It is important to Crown that every feature of your vehicle work as it should so that you have peace of mind before you leave the dealership.

... What are certified used cars?

Answer: It's the reliability of new and the affordability of pre-owned car. A certified used car must go through a rigorous inspection. The certification comes from the manufacturers to ensure top quality of the pre-owned car being sold to you. Crown Automotive also offers Crown Certified used vehicles."

Exhibit C (excerpt from www.crownauto.com).

- 5. Even though it makes the claims set forth in Paragraph 4, Respondent has advertised numerous certified used vehicles subject to open recalls for safety issues on its websites.
- 6. In some instances, these open recalls for safety issues have included recalls for defects that can cause serious injury. For example, Respondent has advertised a certified used

vehicle that has a recall for defects, which, among other things, could cause fuel to leak out and the engine to misfire or stall, thereby increasing the risk of a crash. Respondent has also advertised a certified used vehicle that has an open safety recall for a defect that can cause the vehicle to move in an unexpected or unintended direction, thereby increasing the risk of a crash.

- 7. In numerous instances, when Respondent has advertised certified used vehicles that are subject to open recalls for safety issues making the claims set forth in Paragraph 4, it has provided no accompanying clear and conspicuous disclosure of this fact.
- 8. When consumers search for particular categories of vehicles on Respondent's websites, there is no disclosure regarding open recalls for safety issues. An example of such search results includes the following:

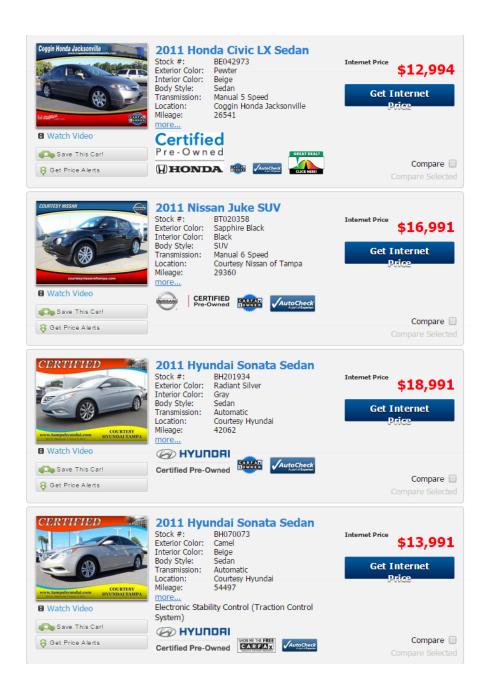


Exhibit D at 3.

9. Until at least June 2015, when consumers have viewed specific vehicle listings on Respondent's websites, there has been no disclosure regarding open recalls for safety issues. An example of such a listing includes the following:

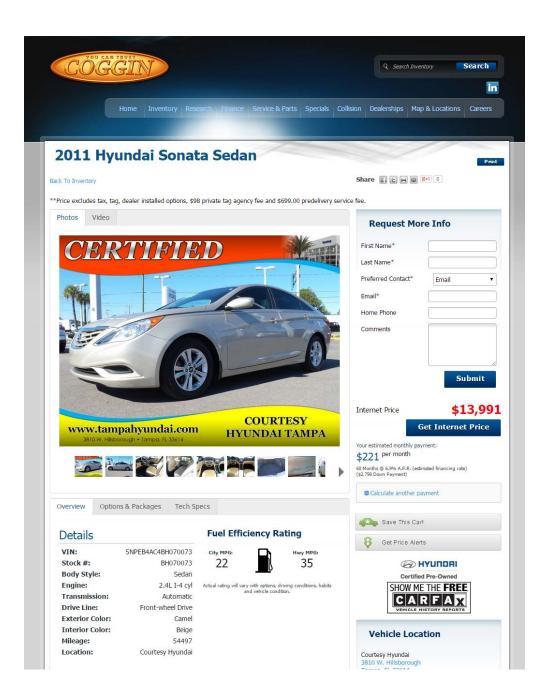


Exhibit E.

10. To uncover any information about open recalls for safety issues through Respondent's website, a consumer would have to locate the "Carfax" link on the search results page or the vehicle listing page and click on it to access a vehicle history report, although the "Carfax" link provides no descriptive information or in any way conveys that it contains

important safety information about recalls. Moreover, in numerous instances, even these reports omit information about open recalls for safety issues.

VIOLATION OF THE FEDERAL TRADE COMMISSION ACT

Count I

- 11. In connection with the marketing, advertising, offering for sale, or sale of used motor vehicles, Respondent has represented, directly or indirectly, expressly or by implication, that used motor vehicles it sells have been subject to rigorous inspection, including for safety issues.
- 12. In numerous instances in connection with the representation set forth in Paragraph 11, Respondent has failed to disclose, or disclose adequately, that used motor vehicles it sells are subject to open recalls for safety issues.
- 13. Respondent's failure to disclose, or disclose adequately, the material information set forth in Paragraph 12 above, in light of the representation described in Paragraph 11, above, constitutes a deceptive act or practice in or affecting commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

THEREFORE, the Federal Trade Commission, this twenty-second day of March, 2017, has issued this complaint against Respondent.

By the Commission.

Donald S. Clark Secretary

SEAL:

Exhibit A

Coggin Automotive Group

FL 34982

Coggin Certified



Coggin Automotive Certified Used Cars

The Coggin Automotive Certified Used Car program gives you confidence in buying a used car. Coggin Automotive Certified Used Cars give you many of the same assurances you get with a new car, without the high price. We've put the largest selection of used cars, along with a program that offers benefits that make buying a used car a sure thing. Take the time to review this valuable information because at Coggin, our only goal is to make sure you are satisfied with your purchase. All Coggin Certified used cars, trucks, SUVs, crossovers and hybrids come with:

Free CARFAX® Report

Coggin researches your vehicle's history so you can be confident in your purchase decision. Each Coggin Certified used car comes with a free CARFAX® report. Make sure to ask your salesperson to see the full report.

Exclusive 3-Day Exchange Program

Coggin Certified used vehicles offer an unparalleled level of quality and reliability. If you are not satisfied or any reason with your Coggin Certified used car, bring it back within 3 days (or 300 miles) and exchange your vehicle for another.

Inspected, Reconditioned & Certified

Every Coggin Certified used car or truck has undergone a 150 point bumper-to-bumper inspection by Certified mechanics. We find and fix problems - from bulbs to brakes - before offering a vehicle for sale.

Coggin Certified Used Cars

Take a look at all the Coggin Certfied Used Cars offered by Coggin dealers. http://www.cogginauto.com/coggin-certified.htm

Price Protection Guarantee

Coggin will never knowingly be undersold. If you find a lower price on a comparable vehicle within 2 weeks even after the sale - bring it to our attention and we will pay 110% of the difference?. It is that simple.

30-Day / 1,000 Mile Limited Warranty

Coggin stands behind its Certified used vehicles with an industry-leading warranty. At Coggin, every Coggin Certified vehicle is backed by our 30-Day / 1,000 Mile Limited Warranty with \$0 deductible.*

Guaranteed Selection

With the largest selection of used cars and trucks in stock and ready for immediate delivery, you are sure to find what you are looking for at Coggin. If we do not have the vehicle you are looking for, we will do our best to find one for you.

Premiere Financing & Extended Service

Coggin and its affiliates help loan over \$2 billion every year. We use our size to make the most competitive financing available - regardless of your credit history. For even greater

11/20/2014 Coggin Automotive Group | New BMW, Acura, Buick, Ford, Honda, GMC, Mercedes-Benz, Lincoln, Toyota, Scion, Nissan, Chevrolet dealership in FL... available - regardless of your credit history. For even greater peace of mind, we also offer extended service contracts providing protection up to 125,000 miles.

Coggin Used. It's Like Buying New.

*All repairs completed by selling dealer. Benefits available for breakdowns beyond 50 miles. See dealer for details. ? Present buyer's order for comparable vehicle within 48 hours of purchase for a refund of 110% of the difference.

Exhibit B

Crown Auto Group

Greensboro, NC 27407

Crown Automotive Certified Program



Crown Certified used cars gives you many of the same assurances you get with a new car-except for the higher price. We have put our name behind the largest selection of used cars with a package of benefits that makes buying used a sure thing. Please take time to review this valuable information. Because at Crown, our only goal is to make sure you are satisfied with your purchase.

Our Crown Certified Used Vehicles Include: | 150 Point Bumper-to-bumper inspection | 30-day/ 1,000 mile limited warranty

| 3-day exchange program | Price protection guarantee | Complete vehicle history report from CARFAX



Free CARFAX® Report

Crown researches your vehicle's history so you can be confident in your purchase decision.

Each Crown Certified used car comes with a free CARFAX® report. Make sure to ask your salesperson to see the full report.



Price Protection Guarantee

Crown will never knowingly be undersold. If you find a lower price on a comparable vehicle within 2 weeks even after the sale bring it to our attention and we will pay 110% of the difference. It is that simple.



Exclusive 3-Day Exchange Program

Crown Certified used vehicles offer an unparalleled level of quality and reliability. If you are not satisfied or any reason with your Crown Certified used car, bring it back within 3 days (or 300 miles) and exchange your vehicle for another.



30-Day / 1,000 Mile Limited Warranty

Crown stands behind its Certified used vehicles with an industry-leading warranty. At Crown, every Crown Certified vehicle is backed by our 30-Day / 1,000 Mile Limited Warranty with \$0 deductible.*



Inspected, Reconditioned & Certified

Every Crown Certified used car or truck has undergone a 150 point bumper-to-bumper



Guaranteed Selection

With the largest selection of used cars and trucks in stock and ready for immediate delivery, you are sure to find what you are looking for at Crown. If we do not have the

Exhibit B, Page 1

inspection by Certified mechanics. We find and fix problems from bulbs to brakes before offering a vehicle for sale.

vehicle you are looking for, we will do our best to find one for you.



Crown Certified Used Cars

Take a look at all the Crown Certified Used Cars offered by Crown dealers.



Premiere Financing & Extended Service

Crown and its affiliates help loan over \$2 billion every year. We use our size to make the most competitive financing available - regardless of your credit history. For even greater peace of mind, we also offer extended service contracts providing protection up to 125,000 miles.

Crown Certified Used Vehicles. Buy With Confidence

*All repairs completed by selling dealer. Benefits available for breakdowns beyond 50 miles. See dealer for details. +Present buyer's order for comparable vehicle within 48 hours of purchase for a refund of 110% of the difference.

Exhibit C

About Us

Home

Print

Crown Auto Group - New and Used Car Dealers Serving North Carolina, South Carolina, Virginia, and New Jersey

We are our #Isource for quality new and used care! Here at Crown Auto we have a Jarne selection of new and used care by Acura. RMW. Ch

We are our #1source for quality new and used cars! Here at Crown Auto we have a large selection of new and used cars by Acura, BMW, Chrysler, Dodge, Ford, Honda, Jeep, Mini, Nissan, and Volvo for you to choose from. We have 18 locations in four states.

You may visit any of our dealership locations that are convenient to you in North Carolina, South Carolina, Virginia, or New Jersey for all of your automotive needs. You may also browse our complete selection of new car inventory, certified used cars, and used car inventory online. View our latest new and used car deals, schedule a test drive, and expect hassle free price quotes!

Here at Crown Automotive we want to make your next new or used car experience one to remember. We strive to provide excellent customer service when contacting us to handle your car repair services. Learn about our service departments, view service specials, schedule service online or email us with questions regarding your car care needs. You will also find a wide selection of parts for your new or used vehicle.

You won't find better prices or service in the NC, SC, VA, or NJ areas! Or if you would rather discuss your options with our friendly sales staff, click on Directions for interactive driving directions and other contact information. We look forward to serving you!

1. Will you buy my car even if I do not purchase one from Crown?

Answer: Yes, just bring your vehicle to any Crown location and we will give you Cash* for your car or truck. At Crown, we will always offer the fairest deal. Once your vehicle has been appraised we will give you an offer. With the offer you are under no obligation to purchase one from Crown Automotive. Because offers are car specific we will need to inspect and test drive your vehicle, this being the case no offers can be made over the phone.

2. Are your used cars inspected?

Answer: Yes, Crown Automotive sends every Crown Certified used vehicle through a rigorous 150 point inspection to ensure that every vehicle is in top shape before you take it home. It is important to Crown that every feature of your vehicle work as it should so that you have peace of mind before you leave the dealership.

A CarFax is available with every pre-owned vehicle so that you know your vehicle is in great condition

3. Do you transfer cars between dealerships?

Answer: Yes, but there are circumstances about what kind of transfers we do based on the desired car. If the car being purchased is a new car and we have another franchise we will transfer. Crown is also happy to search other dealer's inventory for that particular car. Transferring used cars is our specialty no one can offer you such a large section of pre-owned cars. With so many dealerships we have access to over 1000 used cars and it would be our pleasure to transfer that desirable pre-owned car to another Crown dealership that is convenient for you.

4. Does Crown provide warranty work?

Answer: Yes, on the majority of cars and trucks. With so many dealerships we can provide warranty work for almost every car manufacturer.

5. What are certified used cars?

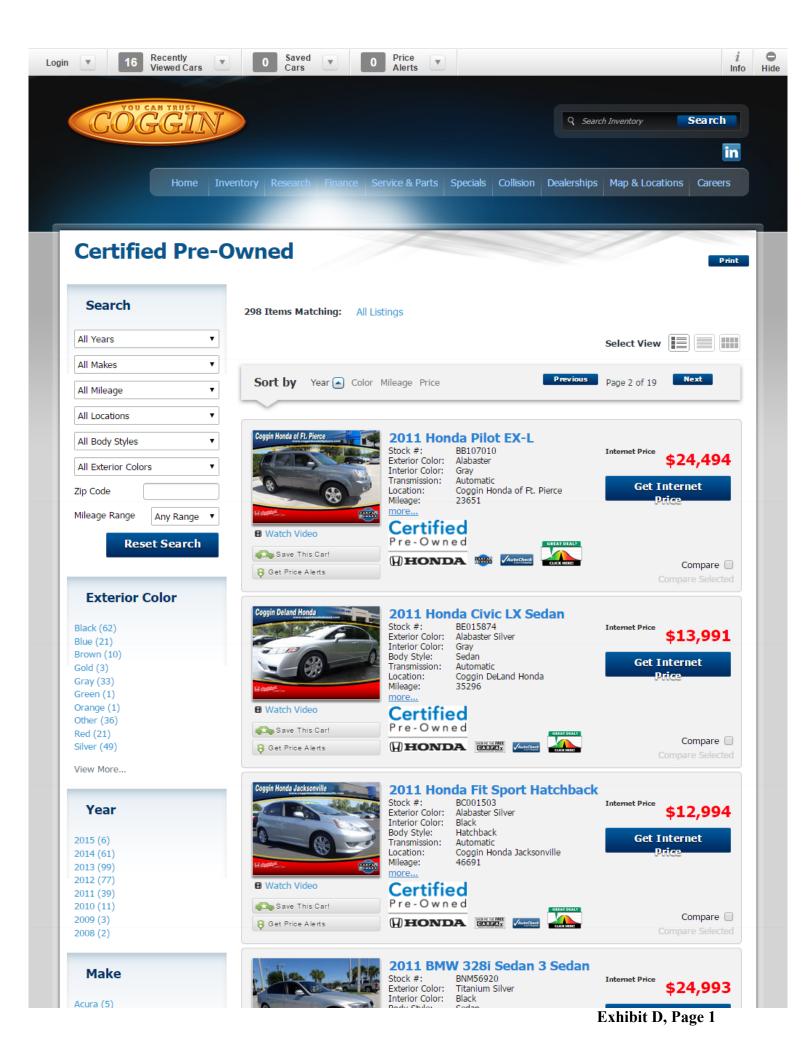
Answer: It's the reliability of new and the affordability of pre-owned car. A certified used car must go through a rigorous inspection. The certification comes from the manufacturers to ensure top quality of the pre-owned car being sold to you. Crown Automotive also offers Crown Certified used vehicles. Click here to learn more

Be an informed certified pre-owned vehicle shopper. Here are some points to remember when shopping for a certified pre-owned vehicle:

- 1. All manufacturer certified vehicles must pass a certification inspection. Ask the dealer to give you the inspection list for the vehicle you are interested in. The inspection list will indicate exactly what has been inspected on the vehicle and should list any repair or maintenance work that was required to bring the vehicle up to certified standards
- Note the mileage on the vehicle and find out how much warranty you will get from purchasing a particular certified vehicle. Depending on the program, you might
 not receive additional benefits beyond the new car warranty, or you might receive up to 36 months/50,000 miles of additional certified warranty. Read the certified
 warranty information carefully to know what additional certified warranty you will receive.
- 3. Most certified programs offer roadside assistance.
- 4. Some programs offer return/exchange provisions. Find out if you will get the sales tax and licensing/registration fees back if you return or exchange the vehicle. Ideally, if the vehicle is certified properly and you did your homework right, you shouldn't have to utilize the return/exchange provision.

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Exhibit D



BMW (26) Buick (4) Chevrolet (6) Chrysler (2) Dodge (3) GMC (12) Honda (41) Hyundai (37) Infiniti (12)

View More...

Body Style

Convertible (8) Coupe (17) Hatchback (11) Other (5) Sedan (135) SUV (76) Truck (22) Van/Minivan (12) Wagon (3)

Mileage

30,000 or less (191) 40,000 or less (246) 50,000 or less (276) 60,000 or less (293) 70,000 or less (295) 80,000 or less (296) 90,000 or less (296) 100,000 or less (296)

Location

Coggin Acura (5) Coggin BMW Treasure Coast (26) Coggin Buick GMC of Orange Park Coggin Chevrolet at the Avenues

(3)Coggin DeLand Honda (10)

Coggin DeLand Hyundai (7) Coggin Honda Jacksonville (5) Coggin Honda of Ft. Pierce (6) Coggin Nissan at the Avenues (4)

Coggin Nissan on Atlantic (13)

View More...

Features

3rd Row Seat (40) Adjustable Pedals (8) Automatic Climate Control (54) Automatic Cruise Control (1) Auxiliary Audio Input (58) Bed Liner (2) DVD / Entertainment (54) Fog Lights (157) Heated Seats (99) Heated Side Mirrors (10)

View More...



■ Watch Video

■ Watch Video

🖚 Save This Car!

8 Get Price Alerts

Save This Car!

8 Get Price Alerts

Save This Car!

8 Get Price Alerts

■ Watch Video

🖚 Save This Car!

😝 Get Price Alerts



bouy style. Transmission: Location:

Automatic Coggin BMW Treasure Coast Mileage:

more..

Premium Package, Convenience Package, Value Package









Compare

\$24,993

Get Internet

Get Internet

Internet Price



2011 BMW 328i Sedan 3 Sedan Stock #: BE851901

Exterior Color: Jet Black Interior Color: Saddle Brown Body Style: Sedan Transmission: **Automatic**

Coggin BMW Treasure Coast Location:

Mileage:

more...

Value Package (Wheels: 17" Light Alloy V-Spoke, iPod & USB Adapter, Dakota Leather Upholstery)







Compare



2011 Honda Insight LX Hatchback

Stock #: BS007924 Exterior Color: Polished Metal Interior Color: Gray Hatchback Body Style: Transmission: CVT Transmission Location: Coggin Honda Jacksonville Mileage: 41946









\$12,994

Get Internet

Compare



2011 Toyota Sienna Van Passenger Van

Stock #: BS114979 Exterior Color: Gold Interior Color: Beige Body Style: Van Passenger Van

Transmission: Automatic Location: Courtesy Toyota of Brandon 59420 Mileage:

more.





Internet Price

Internet Price

\$17,633

Get Internet



2011 BMW 135i Coupe A Coupe

Stock #: BVM10251 Exterior Color: Black Sapphire Interior Color: Terracotta Body Style: Coupe

Transmission: Manual Location: Coggin BMW Treasure Coast Mileage: 20391

more...

Navigation System, Premium Package, M Sport Package, Convenience Package, (more packages...)

■ Certified Pre-Owned ■ RESS

✓





\$28,993

Compare

Get Internet

Compare

\$22,994



Stock #: BJ338079 Exterior Color: Silver Ice Interior Color: Ivory SUV Body Style: Transmission: Automatic

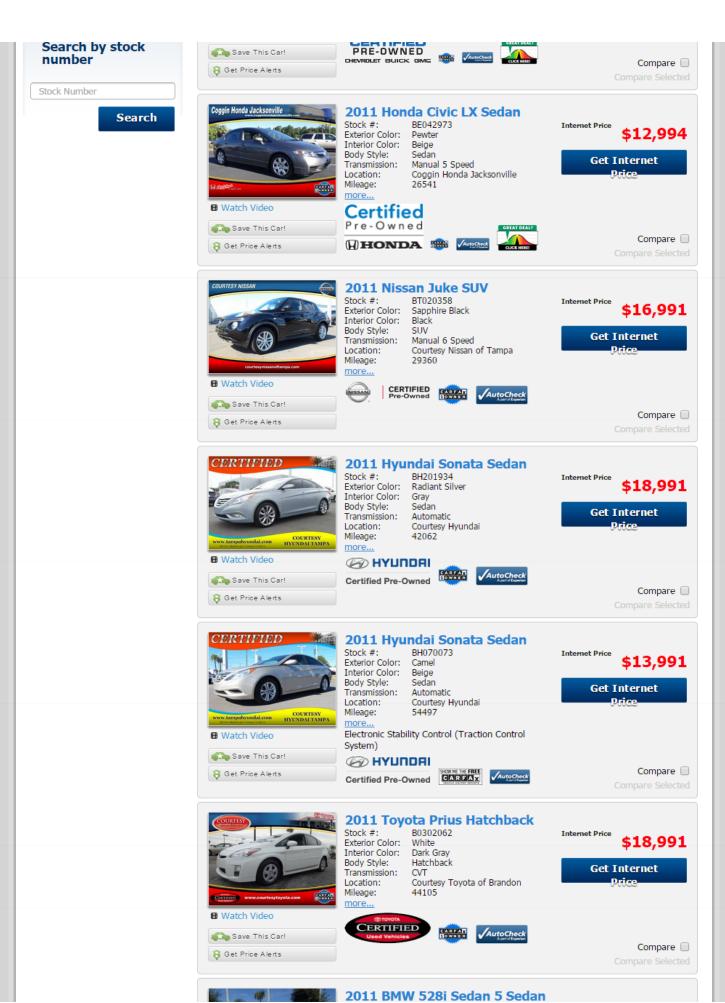
Location:

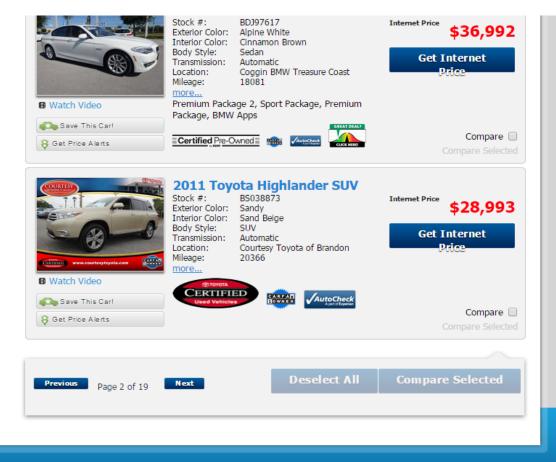
Mileage: 32567 more...

2011 Chevrolet Traverse LTZ SUV

Coggin Buick GMC of Orange

Get Internet

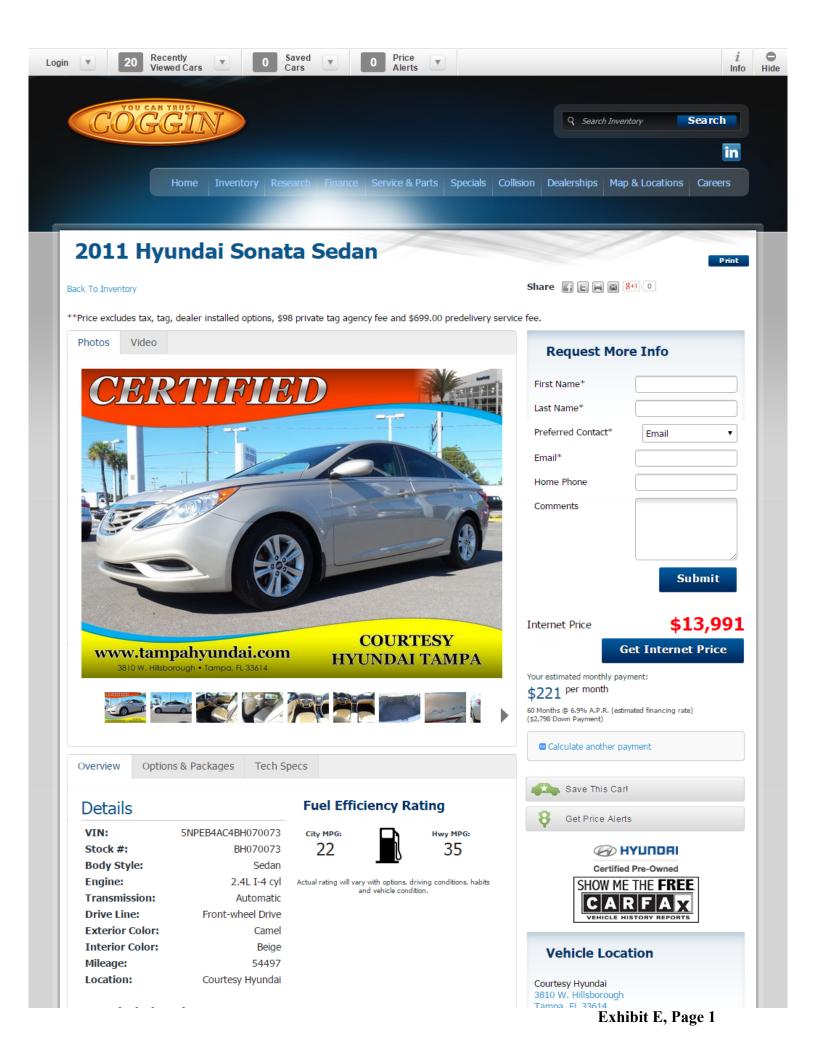




Inventory | Service | Privacy Statement | Sitemap

website by

Exhibit E



Included Packages

Electronic Stability Control

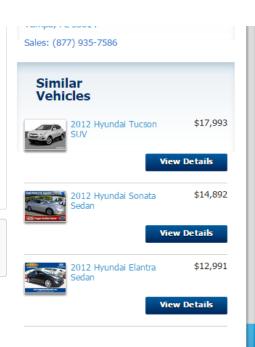
Traction Control System

Comments:

NEW ARRIVAL! -CERTIFIED- PRICED BELOW MARKET! THIS SONATA WILL SELL FAST! -BLUETOOTH, IPOD ADAPTER, MP3 CD PLAYER, KEYLESS ENTRY, AND TIRE PRESSURE MONITORS- -GREAT GAS MILEAGE- This Sonata looks great with a clean Beige interior and Camel exterior! Save money at the pump knowing this Sonata gets 35.0 MPG! Please call to confirm that this Sonata is still available! Call us today to schedule a hassle-free test drive! We are located at: 3810 W. Hillsborough, Tampa, FL 33614.

* While every reasonable effort is made to ensure the accuracy of this information, we are not responsible for any errors or omissions contained on these pages. Please verify any information in question with Coggin Automotive Group.

**Price excludes tax, tag, dealer installed options, \$98 private tag agency fee and \$699.00 predelivery service fee.



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website by D€AL€R.CઉM