

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Luis Alfonso Sierra d/b/a/ Casino Auto Sales, File No. 132 3107

The Federal Trade Commission (“FTC”) has accepted, subject to final approval, an agreement containing a consent order from Luis Alfonso Sierra d/b/a/ Casino Auto Sales. The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the FTC will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement and take appropriate action or make final the agreement’s proposed order.

The respondent operates a motor vehicle dealership. According to the FTC complaint, the respondent has advertised cars for sale. The complaint alleges that the respondent’s advertisements feature photographs of numerous cars, with a price prominently displayed below each car, and that the respondent has advertised that each car is available for purchase at the price that is prominently displayed below the car. The complaint alleges that, in fact, the featured cars are not available for purchase at the prices that are displayed below each car, and that, instead, the purchase price of each car is actually \$5,000 more than the advertised price.

The proposed order is designed to prevent the respondent from engaging in similar deceptive practices and law violations in the future. Part I.A prohibits the respondent from misrepresenting the cost of purchasing a vehicle, including but not necessarily limited to (1) the purchase price of the vehicle, or (2) any finance terms, including the amount or percentage of the downpayment, the number of payments or period of repayment, the amount of any payment, and the repayment obligation over the full term of the loan, including any balloon payment. Part I.B prohibits the respondent from misrepresenting any other material fact about the price, sale, financing, or leasing of any vehicle.

Part II of the proposed order requires the respondent to keep copies of relevant advertisements and materials substantiating claims made in the advertisements. Part III requires that the respondent provide copies of the order to certain personnel. Part IV requires notification to the Commission regarding changes in the respondent’s business activities or employment, or his affiliation with any new business or employment. Part V requires the respondent to file compliance reports with the Commission. Finally, Part VI is a provision “sunsetting” the order after twenty (20) years, with certain exceptions.

The purpose of this analysis is to aid public comment on the proposed order. It is not intended to constitute an official interpretation of the complaint or proposed order, or to modify in any way the proposed order’s terms.