

Comments to the FTC on the Buyer's Guide for used cars.

Suggestion: Put signature lines on all FTC versions of the Guide.

Q. How well is the method of disclosing unexpired warranties working?

A. Not well. It is extremely hard for most dealers, particularly the small dealers, to find out that type of information from the manufacturers. The buyer's generally have more luck with that than the independent dealers do.

Q. Should the use of the Buyer's Guide be continued?

A. Yes. This is valuable to the dealers and to the consumers.

Q. Should something about certified used cars be on the Guide?

A. Yes. That it has been certified, and what company did the certification.

Q. Is there a need for the Buyer's Guide?

A. Yes.

Q. What benefits have been provided to consumers?

A. They are forced to acknowledge that cars break. Some cars break more than others. Consumers should have a statement that they need to know what they are buying, whatever quality of vehicle that is (which will influence the price)

Q. What evidence supports the asserted benefit?

A. Consumers sometimes don't buy cheaper cars, because they have no warranty or service contracts, and that is a good thing because they are buying a better product.

Q. What impact has the Rule had on the flow of information?

A. Dealers and consumers must acknowledge the disclosures and warnings on the Buyer's Guides. This promotes questions and answers, and most consumers are astute enough to know if a dealer is deceptive.

Q. What benefits has the Rule provided to businesses.

A. We represent entirely small businesses. The Rule has allowed them to be very clear with their customers when they are buying a vehicle 'as is', that there are no guarantees when buying such a vehicle. Not everybody can afford a vehicle that includes warranties or service contracts.

Q. What level of compliance with the Rule is there in Oregon?

A. Almost complete compliance with the Rule. We teach dealer compliance in dealer pre-licensing and continuing education programs (licensed by the State of Oregon and approved by DMV Regulatory office), and we believe deceptive sales techniques are lessened by the presence of the Buyer's Guides on the vehicles.

Q. Should the Rule be modified to unite the Buyer's Guide into a bilingual Guide?

A. No. There should not even be a Spanish Buyer's guide required. They could be 'allowed', but should not be 'required'. All contracts are in English. This is our national language. If a sale is made in another language, the contract is still going to be in English. An interpreter statement should suffice to ensure there is a legal contract between the buyer and the seller, and that each understands the terms of the offer. Having a 'Spanish' buyer's Guide does nothing to change that.

Q. What purpose does the list of systems on page 2 of the Buyer's Guide serve.

A. None. Nobody looks at it.

Q. Should the optional statement provided by the Rule about a manufacturer's warranty applying be revised to alert consumers to check the warranty booklet?

A. No. Most used cars don't have a 'manufacturers' warranty booklet in them when they are sold. They don't often come with the vehicle when it is traded in. The statement should be they should check with the manufacturer or a representative of the manufacturer for that information if there is no warranty booklet with the used vehicle.

Q. Should the Rule require dealers to state whether there is remaining warranties on the vehicle?

A. If you want a way to have the manufacturers have a stick over the head of every independent dealer this is the way to do it. They will charge for that information, as much as they can. This will increase the cost to the consumer.

Q. Checking the As Is – No Warranty' box. Is there confusion among consumers?

A. No. It is very clear.

Q, Should the Rule be changed to say 'As Is – No Dealer Warranty'?

A. Yes, this is a good change. These are only used by dealers.

No comments on other areas of the request for comments.