

**Analysis of Proposed Consent Order to Aid Public Comment**  
***In the Matter of Matt Blatt Inc. and Glassboro Imports, LLC***  
***File No. 132 3285***

The Federal Trade Commission (“FTC”) has accepted, subject to final approval, an agreement containing a consent order from Matt Blatt Inc., also known as Matt Blatt KIA and as Matt Blatt Egg Harbor Township (“Matt Blatt Inc.”), and from Glassboro Imports, LLC, also known as Matt Blatt Glassboro Suzuki, as Matt Blatt Glassboro, and as Matt Blatt Auto Sales (“Glassboro Imports”). 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 respondents are dealerships that offer an auto payment program to consumers financing a motor vehicle. The matter involves the dealerships’ sale of the auto payment program to consumers. According to the FTC complaint, respondents have represented that consumers who enroll in its biweekly payment program in order to pay off their auto-financing contract will save money or achieve other benefits through the program. However, respondents failed to disclose that consumers who enroll in the program are charged fees that in many cases offset any savings under the program, and also failed to disclose the total amount of these fees. These facts would be material to consumers in their decision to enroll in the biweekly payment program sold by respondents. The complaint alleges therefore that respondents’ failure to disclose the above-mentioned facts is a deceptive practice in violation of Section 5 of the FTC Act.

The proposed order is designed to prevent respondents from engaging in similar deceptive practices in the future. Section I prohibits respondents from representing that a payment program or add-on product or service will save consumers money, including interest, unless the amount of savings is greater than the total amount of fees associated with the product or service or any qualifying information is clearly and conspicuously disclosed. Section I also prohibits respondents from representing that a payment program or add-on product or service will save any consumer a specific amount of money, including interest, unless the specified amount is the amount of savings after deducting any fees or any qualifying information relating to savings is clearly and conspicuously disclosed.

Section II of the proposed order prohibits respondents from making misrepresentations related to any payment programs, including regarding the existence, amount, timing, or manner of any fees, the program’s benefits, performance, or efficacy.

Section III of the proposed order prohibits respondents from making misrepresentations related to any add-on products or services, including regarding the total costs of the add-on and the benefits, performance, or efficacy of the add-on, any restrictions or conditions associated with the add-on, the nature or terms of any refund, cancellation, or exchange of an add-on, and that any add-on product can improve, repair or otherwise affect a consumer’s credit.

Section IV requires respondents to substantiate any representations about the benefits, performance or efficacy of any add-on product or service or any payment program.

Section V of the proposed order requires respondents to pay to the Commission One Hundred Eighty Four Thousand Two Hundred Eighty dollars (\$184,280.00) in monetary relief.

Section VI of the proposed order requires respondent to keep copies of relevant advertisements and materials substantiating claims made in the advertisements. Section VII requires that respondent provide copies of the order to certain of its personnel. Section VIII requires notification of the Commission regarding changes in corporate structure that might affect compliance obligations under the order. Section IX requires the respondent to file compliance reports with the Commission. Finally, Section X 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.