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UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of **MATT BLATT INC., also doing business as MATT BLATT KIA and MATT BLATT EGG HARBOR TOWNSHIP,** **and** **GLASSBORO IMPORTS, LLC, also doing business as MATT BLATT GLASSBORO SUZUKI, MATT BLATT GLASSBORO, and MATT BLATT AUTO SALES, corporations.**	**DOCKET NO.**

AGREEMENT CONTAINING CONSENT ORDER

The Federal Trade Commission has conducted an investigation of certain acts and practices of Matt Blatt Inc., also doing business as Matt Blatt KIA and as Matt Blatt Egg Harbor Township ("Matt Blatt Inc."), and Glassboro Imports, LLC, also doing business as Matt Blatt Glassboro Suzuki, as Matt Blatt Glassboro, and as Matt Blatt Auto Sales ("Glassboro Imports"), corporations (collectively, "proposed respondents"). Proposed respondents, having been represented by counsel, are willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

IT IS HEREBY AGREED by and between Matt Blatt Inc. and Glassboro Imports, by their duly authorized officers, and counsel for the Federal Trade Commission that:

1. Proposed respondent Matt Blatt Inc. is a New Jersey corporation, with its principal place of business at 6211 Black Horse Pike, Egg Harbor Township, New Jersey 08234.

2. Proposed respondent Glassboro Imports is a New Jersey corporation, with its principal place of business at 501 Delsea Drive North, Glassboro, New Jersey 08028.

3. Proposed respondents admit all the jurisdictional facts set forth in the draft complaint.

4. Proposed respondents waive:

   a. Any further procedural steps;

b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and

c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

5. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.

6. This order resolves any claims the Commission may have arising out of the facts set forth in the complaint up to the date of the complaint.

7. Proposed respondents neither admit nor deny any of the allegations in the draft complaint, except as specifically stated in this order. Only for purposes of this action, proposed respondents admit the facts necessary to establish jurisdiction.

8. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondents, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to proposed respondents' address as stated in this agreement by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of the order.

9. Proposed respondents have read the draft complaint and consent order. They understand that they may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of this order after it becomes final.

ORDER

DEFINITIONS

For the purpose of this order, the following definitions shall apply:

A. **"Add-on product or service"** shall include any product or service relating to the sale, lease, or financing of a motor vehicle that is offered, provided, or arranged by the dealer that is not provided or installed by the motor vehicle manufacturer, including but not limited to extended warranties, payment programs, guaranteed automobile protection ("GAP") or "GAP insurance," etching, service contracts, theft protection or security devices, global positioning systems or starter interrupt devices, undercoating, rustproofing, fabric protection, road service or club memberships, appearance products, credit life insurance, credit accident or disability insurance, credit loss-of-income insurance, and debt cancellation and debt suspension coverage. The term excludes any such product or service that the dealer provides to the consumer at no charge.

B. **"Clearly and conspicuously"** shall mean the following:

1. In textual communications, the disclosure must be in a noticeable type, size, and location, using language and syntax comprehensible to an ordinary consumer;

2. In communications disseminated orally or through audible means, the disclosure must be delivered in a volume, cadence, language, and syntax sufficient for an ordinary consumer to hear and comprehend them;

3. In communications disseminated through video means: (1) written disclosures must be in a form consistent with definition B.1 and appear on the screen for a duration sufficient for an ordinary consumer to read and comprehend them, and be in the same language as the predominant language that is used in the communication; and (2) audio disclosures must be consistent with definition B.2; and

4. The disclosure cannot be combined with other text or information that is unrelated or immaterial to the subject matter of the disclosure. No other representation(s) may be contrary to, inconsistent with, or in mitigation of, the disclosure.

C. **"Commerce"** shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

D. **"Competent and reliable evidence"** shall mean tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that has been

conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

E. **"Payment program"** shall mean any product, service, plan, or program represented, expressly or by implication, to provide payment or meet other terms of a financing contract between a consumer and (1) a creditor, including an auto dealer, or (2) another financing entity, including a finance company, a bank, or another assignee.

F. Unless otherwise specified, **"Respondents"** shall mean Matt Blatt Inc. and Glassboro Imports, corporations, individually or collectively; their successors and assigns; and their officers, agents, representatives, and employees.

G. **"Material"** shall mean likely to affect a person's choice of, or conduct regarding, goods or services.

H. **"Person"** shall mean a natural person, an organization, or other legal entity, including a corporation, partnership, sole proprietorship, limited liability company, association, cooperative, or any other group or combination acting as an entity.

I.

IT IS ORDERED that respondents and their officers, agents, representatives, and employees, directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale, or sale of any payment program or add-on product or service, shall not in any manner, expressly or by implication:

A. Represent that the payment program or add-on product or service will save any consumer money, including interest, unless:

1. The amount of savings a consumer will achieve is greater than the total amount of fees and costs charged in connection with the payment program or add-on product or service and the representation is otherwise true, or

2. Any qualifying information relating to the savings a consumer might achieve from the payment program or add-on product or service is clearly and conspicuously disclosed, including, but not limited to, information about the total amount of fees and costs charged in connection with such payment program or add-on product or service.

B. Represent that the payment program or add-on product or service will save any consumer a specific amount of money, including interest, unless:

1. The specified amount is the amount of savings after deducting any fees or costs charged in connection with the payment program or add-on product or service and the representation is otherwise true, or

2. Any qualifying information relating to the savings a consumer might achieve from the payment program or add-on product or service is clearly and conspicuously disclosed, including, but not limited to, information about the total amount of fees and costs charged in connection with such payment program or add-on product or service.

II.

IT IS FURTHER ORDERED that respondents and their officers, agents, representatives, and employees, directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale, or sale of any payment program shall not misrepresent, in any manner, expressly or by implication:

A. The existence, amount, timing, or manner of any fee or cost charged by respondent or a third party in connection with such payment program;

B. The benefits, performance, or efficacy of the payment program; and

C. Any other material fact.

III.

IT IS FURTHER ORDERED that respondents and their officers, agents, representatives, and employees, directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale, or sale of any add-on product or service shall not misrepresent or assist others in misrepresenting, in any manner, expressly or by implication:

A. That any person will provide any add-on product or service to any consumer;

B. The total costs to purchase, receive, or use, or the quantity of, the add-on product or service;

C. Any restriction, limitation, or condition on purchasing, receiving, or using the add-on product or service;

D. Any aspect of the performance, efficacy, nature, or characteristics of the add-on product or service;

E. Any aspect of the nature or terms of any refund, cancellation, exchange, or repurchase policy, including, but not limited to, the likelihood of a consumer obtaining a full or partial refund, or the circumstances in which a full or partial refund will be granted to the consumer;

F. That any add-on product or service has the ability to improve, repair or otherwise affect a consumer's credit record, credit history, credit rating, or ability to obtain credit; and

G. Any other material fact.

IV.

IT IS FURTHER ORDERED that respondents and their officers, agents, representatives, and employees, directly or indirectly, in connection with the advertising, marketing, promotion, offering for sale, or sale of any payment program or add-on product or service shall not make any representation or assist others in making any representation, in any manner, expressly or by implication, about the benefits, performance, or efficacy of any payment program or add-on product or service, unless at the time such representation is made, respondents possess and rely upon competent and reliable evidence that substantiates that the representation is true.

V.

IT IS FURTHER ORDERED that respondents shall pay One Hundred Eighty-Four Thousand Two Hundred Eighty Dollars ($184,280.00) as follows:

A. Respondent Glassboro Imports shall pay to the Commission $184,280.00, which, as respondent stipulates, its undersigned counsel holds in escrow for no purpose other than payment to the Commission. Such payment must be made within 7 days of entry of this order by electronic fund transfer, pursuant to instructions to be provided by a representative of the Commission. If such payment is not made in full within 7 days of entry of this order, the monetary judgment becomes immediately due as to respondent Matt Blatt Inc., and respondent Matt Blatt Inc. shall pay to the Commission the amount specified in this Part, less any payment previously made pursuant to this Part, plus interest computed from the date of service of this order.

B. In the event of default on the obligation pursuant to Part V.A of this order, interest, computed pursuant to 28 U.S.C. § 1961(a), shall accrue from the date of default to the date of payment. In the event such default continues for ten (10) calendar days beyond the date that payment is due, the entire amount shall immediately become due and payable.

C. All money paid to the Commission pursuant to this order may be deposited into a fund administered by the Commission or its designee to be used for equitable relief, including consumer redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Commission may apply any remaining money for such other equitable relief (including consumer information remedies) as it determines to be reasonably related to respondents' practices alleged in the draft complaint. Any money not used for such equitable relief is to be deposited to the U.S. Treasury as disgorgement. Respondents have no right to challenge any actions the Commission or its representatives may take pursuant to this Subpart. No portion of any payment under the judgment herein shall be deemed a payment of any fine, penalty, or punitive assessment.

D. Respondents relinquish all dominion, control, and title to the funds paid to the fullest extent permitted by law. Respondents shall make no claim to or demand for return of the funds, directly or indirectly, through counsel or otherwise.

E. Respondents agree that the facts as alleged in the draft complaint shall be taken as true without further proof in any bankruptcy case or subsequent civil litigation pursued by the Commission to enforce its rights to any payment or money judgment pursuant to this order, including but not limited to a nondischargeability complaint in any bankruptcy case. Respondents further agree that the facts alleged in the draft complaint establish all elements necessary to sustain an action by the Commission pursuant to Section 523(a)(2)(A) of the Bankruptcy Code, 11 U.S.C. § 523(a)(2)(A), and that this Order shall have collateral estoppel effect for such purposes.

F. Respondents acknowledge that their Taxpayer Identification Numbers (Social Security Numbers or Employer Identification Numbers), which respondents must submit to the Commission, may be used for collecting and reporting on any delinquent amount arising out of this order, in accordance with 31 U.S.C. § 7701.

G. Proceedings instituted under this Part are in addition to, and not in lieu of, any other civil or criminal remedies that may be provided by law, including any other proceedings the Commission may initiate to enforce this order.

H. Respondents agree to provide sufficient customer information to enable the FTC to efficiently administer consumer redress. If a representative of the FTC requests in writing any information related to redress, respondents must provide it, in the form prescribed by the FTC, within 14 days;

VI.

IT IS FURTHER ORDERED that respondent shall, for five (5) years after the last date of dissemination of any representation regarding any payment program or add-on product or service, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All advertisements and promotional materials containing the representations;

B. All materials that were relied upon in disseminating the representations;

C. All evidence in its possession or control that contradicts, qualifies, or calls into question the representations, or the basis relied upon for the representations, including complaints and other communications with consumers or with governmental or consumer protection organizations; and

D. Any documents reasonably necessary to demonstrate full compliance with each provision of this order, including but not limited to all documents obtained, created, generated, or

that in any way relate to the requirements, provisions, or terms of this order, and all reports submitted to the Commission pursuant to this order.

VII.

IT IS FURTHER ORDERED that respondents Matt Blatt Inc. and Glassboro Imports, and their successors and assigns, shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

VIII.

IT IS FURTHER ORDERED that respondents Matt Blatt Inc. and Glassboro Imports, and their successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation(s) that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation about which respondents learn less than thirty (30) days prior to the date such action is to take place, respondents shall notify the Commission as soon as is practicable after obtaining such knowledge. Unless otherwise directed by a representative of the Commission in writing, all notices required by this Part shall be emailed to Debrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: In re *Matt Blatt Inc.*

IX.

IT IS FURTHER ORDERED that respondents Matt Blatt Inc. and Glassboro Imports, and their successors and assigns, within sixty (60) days after the date of service of this order, shall each file with the Commission a true and accurate report, in writing, setting forth in detail the manner and form of their own compliance with this order. Within ten (10) days of receipt of written notice from a representative of the Commission, they shall submit additional true and accurate written reports.

X.

This order will terminate twenty (20) years from the date of its issuance, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any

violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any Part in this order that terminates in less than twenty (20) years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Signed this _____ day of _____, 2014

_____ _____

Name: Roy Greenblatt Date
Title:
Matt Blatt Inc.

_____ _____

Name: Roy Greenblatt Date
Title:
Glassboro Imports, LLC

_____ _____

Laura D. Ruccolo, Esq. Date
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Attorney for Respondents

_____

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