

Findings

1. Respondent General Motors LLC is a Delaware limited liability company with its principal office or place of business at 300 Renaissance Center, Detroit, MI 48265.
2. The Commission has jurisdiction over the subject matter of this proceeding and over the Respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

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

1. Unless otherwise specified, “Respondent” or “GM” shall mean General Motors LLC, and its successors and assigns. The term “Respondent” shall not include a GM dealer if the dealer is not an agent or legal representative of Respondent for purposes of used vehicle advertising.
2. “Advertisement” or “Advertising” shall mean a commercial message in any medium that directly or indirectly promotes a consumer transaction.
3. “Clearly and conspicuously” means that a required disclosure is difficult to miss (i.e., easily noticeable) and easily understandable by ordinary consumers, including in all of the following ways:
 - a. In any communication that is solely visual or solely audible, the disclosure must be made through the same means through which the communication is presented. In any communication made through both visual and audible means, such as a television advertisement, the disclosure must be made through the same means through which the representation requiring the disclosure is presented.
 - b. A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.
 - c. An audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it.
 - d. In any communication using an interactive electronic medium, such as the Internet or software, the disclosure must be unavoidable.

- e. The disclosure must use diction and syntax understandable to ordinary consumers and must appear in each language in which the representation that requires the disclosure appears.
 - f. The disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications.
 - g. The disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication.
4. “Material” shall mean likely to affect a person’s choice of, or conduct regarding, goods or services.
5. “Motor vehicle” shall mean:
- a. Any self-propelled vehicle designed for transporting persons or property on a street, highway, or other road;
 - b. Recreational boats and marine equipment;
 - c. Motorcycles;
 - d. Motor homes, recreational vehicle trailers, and slide-in campers; and
 - e. Other vehicles that are titled and sold through dealers

I.

IT IS HEREBY ORDERED that Respondent and its officers, agents, representatives, and employees, directly or indirectly, in connection with the marketing or advertising of used motor vehicles shall not, in any manner, expressly or by implication:

- A. Represent that used motor vehicles that Respondent advertises are safe, have been repaired for safety issues, or have been subject to a rigorous inspection, unless:
- 1. The used motor vehicles are not subject to any open recalls relating to safety, and the representation is otherwise not misleading, or
 - 2. Respondent discloses, clearly and conspicuously, and in close proximity to such representation, any qualifying information related to open recalls, including but not limited to:

- i. the fact that used motor vehicles that it advertises may be subject to recalls for safety issues that have not been repaired, and
- ii. how consumers can determine whether an individual used motor vehicle has been subject to a recall for safety issues that has not been repaired,

and the representation is otherwise not misleading.

B. Misrepresent the following:

1. Whether there is or is not an open recall for safety issues on any used motor vehicle;
2. Whether Respondent or GM dealers have repaired used motor vehicles for open safety recalls; and
3. Any other material fact about the safety of the used motor vehicles it advertises for sale.

II.

IT IS FURTHER ORDERED that Respondent, no later than February 6, 2017, must provide, by first class mail to the last known address of every consumer who purchased a Certified Pre-Owned motor vehicle with an open recall for a safety issue from a GM dealership between July 1, 2013 and December 8, 2016, and whose vehicle has not had the open recall repaired, a notice bearing Respondent's name and corporate logo that clearly and conspicuously notifies the consumer (i) that the consumer's vehicle has been recalled for safety issues that have not been repaired and (ii) how to get the vehicle repaired.

Respondent shall not include any advertising, marketing, or other promotional information in the notice. Moreover, the mailing shall not include any other documents.

If Respondent has sent such a notice after August 1, 2015, it shall be deemed to meet the requirements of this proviso.

III.

IT IS FURTHER ORDERED that Respondent shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Commission for inspection and copying:

A. Each advertisement or other marketing material that makes any representation covered by the order unless, in comparison to an advertisement or other marketing material already maintained by Respondent pursuant to this Section, the advertisement or marketing material: (i) is a duplicate, or (ii) differs only in the description of the vehicle or other ways not related to any representations covered by this order, including a website which differs only with respect to individual vehicle details displayed in inventory or search page(s) of the site;

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

C. All evidence in its possession or control that relates to used vehicle advertising and that contradicts, qualifies, or calls into question the representation, or the basis relied upon for the representation, 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.

IV.

IT IS FURTHER ORDERED that Respondent shall deliver a copy of this order to all current and future principals, corporate directors, Chief Executive Officer - General Motors, President - General Motors, Executive Vice President and President- North America, Executive Vice President - Global Manufacturing, Executive Vice President and General Counsel, Executive Vice President - Global Product Development and Purchasing, Executive Vice President and Chief Financial Officer, Senior Vice President - Human Resources, Executive Vice President and President - Cadillac, Vice President - Controller and Chief Accounting Officer, Executive Vice President and President - South America, Executive Vice President and President - Europe, Executive Vice President and President - GM China, and Executive Vice President and President - GM International Operations, and to all current and future managers, employees, agents, and representatives having supervisory 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, with any electronic signatures complying with the requirements of the E-Sign Act, 15 U.S.C. § 7001 *et seq.* Respondent 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.

V.

IT IS FURTHER ORDERED that Respondent 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 Respondent learns less than thirty (30) days prior to the date such action is to take place, Respondent 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 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 General Motors LLC*.

VI.

IT IS FURTHER ORDERED that Respondent, within sixty (60) days after the date of service of this order, shall file with the Commission a true and accurate report, in writing, setting forth in detail the manner and form of its own compliance with this order. Within ten (10) days of receipt of written notice from a representative of the Commission, it shall submit additional true and accurate written reports.

VII.

This order will terminate on December 8, 2036, 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 this 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 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.

By the Commission.

Donald S. Clark
Secretary

SEAL:

ISSUED: December 8, 2016