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QUEENS CAR DEALERSHIPS PAY \$60,000 AND AGREE TO CLEAN UP ADVERTISEMENTS

DCA Continues Monitoring Auto Ads Citywide

The New York City Department of Consumer Affairs (DCA) today announced an agreement in which four Queens auto dealerships with the same ownership - Star Nissan, Inc. (Bayside), Star Mitsubishi (Queens Village), Star Toyota of Bayside, and Metro Chrysler Plymouth, Inc. (Queens Village) - must pay a total of \$60,000 to settle charges of deceptive and misleading advertisements. The agreement is part of the DCA's ongoing efforts to crackdown on deceptive advertisements that lure consumers purchasing both new and used cars. Since last summer, the DCA cited 20 auto dealerships citywide and established agreements with 12 dealerships to pay more than \$150,000, with other agreements pending.

"We're pleased that these dealerships have agreed to clean up their act," said DCA Commissioner Gretchen Dykstra. "An advertisement is often the first place shoppers will go to compare prices, and consumers need to be able to make decisions based on truthful information. We'll continue to monitor ads, reviewing them with a close eye, and taking appropriate action against dealers who don't follow the law."

These four Queens dealers were charged with numerous violations of the City's Consumer Protection Law including: basing advertised prices on **required financing** through the dealer; **misrepresenting prices and actual cost** (i.e. advertised costs were based on restricted rebates that very few qualify for); classic **bait and switch** (i.e. advertising bold headlines such as "\$0 DOWN, 0 INTEREST, 0 PAYMENTS," with reduced interest rates that did not apply to the advertised vehicles); and **misrepresenting credit claims** (i.e. using phrases such as "12 Minute CREDIT APPROVAL" - suggesting that all applicants will be approved while omitting the credit terms or criteria used to determine if qualified for a loan).

Other dealerships that have settled similar charges over the past seven months include Cox Nissan, Inc. (2 locations: 1235 E. Tremont Ave. and 3700 Boston Rd., Bronx); Northern Boulevard Dodge Inc. (2 locations: 209-01 Northern Blvd. and 209-35 Northern Blvd., Bayside); Kia of Bayside (211-08 Northern Blvd., Bayside); Bayside Chrysler Plymouth / Jeep Eagle, Inc. (212-19 Northern Blvd., Bayside); and Hyundai of Manhattan (646 Eleventh Avenue, Manhattan).

DCA enforces the City's Consumer Protection Law and other related laws at thousands of businesses throughout New York City. Fostering a marketplace where consumers are protected and businesses can thrive, DCA licenses more than 60,000 businesses in 55 different categories citywide. Through free community seminars, licensing forums, and other informational materials, DCA educates consumers and businesses alike about their rights and responsibilities.

To file a complaint or for copies of the DCA's *Guide to Used Car Purchases* or DCA's *Advertising Guide*, call 311 or visit the Department of Consumer Affairs' web site at www.nyc.gov.

Tips:

- **Watch out for footnotes and asterisks ("*").** The fine print in an advertisement sometimes changes an offer made in the large print.
- **Beware advertised prices based on financing.** Many are so restrictive that most average consumers don't qualify.
 - **Shop around for best financing option.** Consumers that wish to finance may be able to obtain better options from financial institutions besides the dealer they are purchasing from.
 - **Photos and illustrations should match the products being advertised.**
 - **Prices quoted in an ad must match the actual purchase price.**
- **Beware of ads using phrases like "as low as," "starting at," or "...and up" next to the listed price**