

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

H # 08-021

LANDERS CHRYSLER DODGE JEEP

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

The Arkansas Motor Vehicle Commission (hereinafter the “Commission”) held a hearing on November 19, 2008, to determine whether Landers Chrysler Dodge Jeep (hereinafter “Landers”) violated the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101 et seq. The charges before the Commission concerned whether Landers violated Commission statutes when it utilized false and misleading adverting, failed to sale a vehicle within the terms of the offer and utilized bait advertising.

The Respondent, Landers, was represented by Adam Culpepper.

After hearing testimony from Danny Holmes, Greg Kirkpatrick, Adam Culpepper, and reviewing documents received in evidence, the Commission makes the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

- F1. On April 22, 2008, the Commission received a telephone complaint from a consumer as well as a phone call from the Better Business Bureau concerning a vehicle listed on ebay Motors by Landers.
- F2. The consumer stated he responded to the ebay listing for a 1992 Nissan Maxima, stock #NT009556, with a sale price of \$1,095.00, and was told the vehicle had been sold. The consumer asked if a comparable vehicle was available, and the salesperson quoted a price of \$8,900.00 for a Nissan Altima.

- F3. Investigator Danny Holmes called Landers on Tuesday, April 22, 2008, and spoke with a licensed salesperson named Bob Norman to inquire about purchasing the above Maxima. Mr. Norman stated the car had sold on Saturday. Mr. Norman stated it was in poor condition and without a reverse gear. Mr. Norman offered Mr. Holmes a Chrysler Concord for \$3,600.00.
- F4. On April 30, 2008, the Maxima continued to be advertised for sale on ebay. Commission Secretary Angela Stoffer contacted Landers and spoke with an employee named Drew who told Mrs. Stoffer the vehicle was sold yesterday. Drew called Mrs. Stoffer later the same day and offered her a Daewoo for \$1,100.00.
- F5. On May 13, 2008, Mr. Holmes visited Landers and spoke with Mr. Rodney Plack. Mr. Holmes requested copies of the sale paperwork on the 1992 Nissan Maxima stock #NT009556. Mr. Plack presented an F&I Deal Worksheet which stated the vehicle was sold on April 17, 2008, at the ADESA Auction for \$490.00.
- F6. Mr. Holmes researched E-bay Motor's website and found listings could be removed before the scheduled end date if the item is no longer offered for sale.
- F7. Mr. Plack advised Mr. Holmes that Landers contracted with HomeNet to update the vehicles listed on ebay and remove vehicles that have been sold. HomeNet stated they take a data feed from Landers in-stock vehicles daily, which comes from Reynolds Web Solutions.

CONCLUSION OF LAW

Based on the foregoing Findings of Fact, the Commission makes the following Conclusion of Law:

- C1. Landers violated Commission statutes and the Advertising Rule when they utilized false and misleading advertising to secure the first contact by deception.
- C2. Landers violated Commission statutes and the Advertising Rule when they failed to sell the vehicle in accordance with the terms of the offer.
- C3. Landers violated Commission statutes and the Advertising Rule when they utilized bait advertising.

ORDER

The Commission finds that the violations of Commission statutes by Landers warrants a total civil penalty of one thousand dollars (\$1,000.00) which is to be paid within thirty (30) days of receipt of this Order.

This is a final Order of the Commission and as such is subject to judicial review pursuant to Ark. Code Ann. § 25-15-212.

ARKANSAS MOTOR VEHICLE COMMISSION

By _____
F. S. Stroope, Chairman

Date: _____