

BEFORE THE ARKANSAS MOTOR VEHICLE COMMISSION

IN THE MATTER OF:

Hearing #06-004

HONDA OF RUSSELLVILLE

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

The Arkansas Motor Vehicle Commission (hereinafter the “Commission”) held a hearing on April 19, 2006, to determine whether Honda of Russellville had violated the Arkansas Motor Vehicle Commission Act, Ark. Code Ann. § 23-112-101, *et seq.*, and the advertising rules promulgated by the Commission pursuant to Ark. Code Ann. § 23-112-204. The charges before the Commission concern whether an advertisement in the Arkansas Democrat-Gazette on December 21, 2005, was in violation of Arkansas Motor Vehicle Commission Act and Commission Rule 3 because it failed to adequately disclose there was not an adequate supply of available vehicles to meet reasonably anticipated demand, and because it did not include the documentary fee in the listed price.

Michelle Purtle, one of the principals in Honda of Russellville, appeared on behalf of Honda of Russellville. She appeared *pro se*.

After hearing testimony from Commission Investigator Danny Holmes and from Michelle Purtle, and reviewing documents received in evidence, the Commission makes the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

F1. Honda of Russellville placed an advertisement in the December 21, 2005, edition of the Arkansas Democrat-Gazette which showed three models of Honda dirt bikes at half price.

F2. Honda of Russellville sold 13 dirt bikes at the advertised price as a result of this December 21, 2005.

F3. Having sold out their supply of the advertised product, Honda of Russellville cancelled the advertisement and it did not appear in the December 22, 2005, edition of the Arkansas Democrat-Gazette.

F4. Based on the Company's sales experience, they had on hand a reasonable number of dirt bikes to meet reasonably anticipated demand.

F5. The purchase price shown in the advertisement for the three models was not in fact the full cash price because it did not include the \$85.00 document fee charged by the dealership.

CONCLUSIONS OF LAW

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

C1. The evidence received by the Commission does not support the charge in paragraph C1 of the Notice of Hearing and thus this charge must be dismissed.

C2. The Commission concludes that when Honda of Russellville advertised specific cash prices which did not include the documentary fee, it violated Commission Rule 3.

ORDER

It is the Order of the Commission that the charges in paragraph C1 of the Notice of Hearing be dismissed and that with regard to the charges in C2 of the Notice of Hearing, Honda of Russellville be sent a warning letter with regard the requirement to include documentary fees in published prices.

ARKANSAS MOTOR VEHICLE COMMISSION

By: _____
F. S. Stroope, Chairman

Date: _____