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FOR IMMEDIATE RELEASE

Terry Goddard Announces Deceptive Ad Settlement with Prescott Car Dealer

(Phoenix, Ariz. – May 28, 2009) Attorney General Terry Goddard today announced a \$117,000 settlement with Tim's Buick, Pontiac and GMC Truck, Inc. and Tim's Auto Group ("Tim's Auto Group"), resolving allegations of numerous incidents of deceptive advertising by the Prescott-based auto dealer.

Throughout 2006 and 2007, the Attorney General's Office received complaints from consumers that advertising materials sent out by Tim's Auto Group were deceiving or misleading. As a result, the Office opened a consumer fraud investigation into the company.

According to court documents, the investigation found numerous deceptive advertising methods used by the company, including:

- Mailing advertisements that announced that consumers would receive large discounts off the Manufacturer's Suggested Retail Price ("MSRP") on used vehicles, when the MSRP was based upon new vehicle prices.
- Using "vouchers" that appear to be checks in direct mail advertising.
- Using contradictory and confusing disclaimers in footnotes buried at the bottom of advertisements or on a separate page from the offer referenced.
- Using headlines that applied only to one vehicle in a sale.
- Guaranteeing credit approval in advertisements with claims such as "Everyone Drives, Credit Guarantee!"
- Using the name Tim's Factory Outlet for a used car lot that had no relationship with an auto manufacturer or factory.

Goddard alleged that these statements were misleading to consumers and violated the Consumer Fraud Act. He alleged that statements using the MSRP as the base price for vehicles were misleading to consumers because used car values are determined by the used vehicle marketplace, not the vehicle manufacturer.

According to the settlement, which comes in the form of a Consent Judgment and does not constitute an admission of wrongdoing, Tim's Auto Group agrees:

- Not to engage in any false or deceptive advertising, including using language in an advertisement that contradicts or negates any other language, representation or offer included in the same ad.

- To clearly and conspicuously disclose all material facts, terms and conditions relating to any offer it makes to the public through any medium.
- Not to advertise or offer for sale any used vehicle using the MSRP as a comparative price.
- Not to create the false appearance that a consumer is receiving a check.
- Not to imply that vehicles are specially obtained inventory for an advertised sale or make statements regarding a vehicle's prior ownership unless the claims can be documented.
- Not to guarantee that all credit applications will be accepted or make offers of credit approval unless the material conditions of the credit approval are printed next to the offer.
- To pay the Attorney General's Office \$117,000 in civil penalties, attorneys' fees and investigation costs.

Assistant Attorney General Rebecca Salisbury handled this case. Copies of the settlement are available on the Attorney General's Web site, www.azag.gov.

If you believe you have been a victim of fraud, please contact the Attorney General's Office in Phoenix at 602.542.5763, in Tucson at 520.628.6504 or outside the Phoenix and Tucson metro areas at 1.800.352.8431. To file a complaint in person, the Attorney General's Office has satellite offices throughout Arizona with volunteers available to help. Locations and hours are posted on the Attorney General's Web site. An online complaint form is also posted on the Attorney General's Web site.

For more information, please contact Megan Erickson at (602) 542-8012.

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