



2026

FTC UPDATES

Informing our Independent Dealers on the new FTC changes and guiding them in the best ethical direction.

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For more information:



www.viada.org
<https://www.ftc.gov/>





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STRICT “ALL-IN” PRICING

WHAT YOU NEED TO KNOW

The FTC has put the industry on notice that the advertised price must be the price the customer pays. The advertised price must be the most prominent price shown. The FTC expects customers to be able to seamlessly comparison shop.



Mandatory Fee

Documentation (doc) fees, electronic filing fees, dealer prep, and "market adjustments" must be factored into the advertised price if the consumer cannot walk out without paying them.



Conditional Pricing

You cannot advertise a price that is only available if the buyer uses your dealership financing, or apply hidden rebates/discounts that only a fraction of buyers actually qualify for.



Exemptions

The only fees that can be excluded from the advertised upfront price are government-imposed taxes, title, and registration.



Add-Ons and “Junk Fees”

The FTC is cracking down on how optional products are sold.

- No HIDDEN cost
- Express informed consent

EXAMPLES OF COMPLIANT AND DECEPTIVE PRACTICES

The following pages provide an overview of compliant and deceptive advertising practices, accompanied by practical examples illustrating acceptable advertising methods and common violations. This guide is intended to help dealerships develop advertising that is truthful, transparent, and compliant with applicable federal and state regulations.

- Suggested Price/Discount
- Total Pricing vs. Hidden Fees
- Finance Conditions & Down Payments
- Stacked / Conditional Rebates

Disclaimer:

This guide is provided by the Virginia Independent Automobile Dealers Association (VIADA) for educational purposes only and includes examples intended to help dealerships understand and maintain compliance with FTC advertising requirements. VIADA assumes no responsibility or liability for the misuse, misinterpretation, or application of the information contained in this guide, and dealerships remain solely responsible for ensuring their advertising complies with all applicable laws and regulations.

EXAMPLE # 1

COMPLIANT (FTC APPROVED)

03

“2024 Tesla CyberBeast MSRP/
Suggested Retail Price \$89,000!”

DEALER DISCOUNT

- \$5,000 (Must be available to EVERYONE)

DEALER'S PROCESSING FEE

- \$1,000

2024 TESLA
CYBERBEAST

UNLEASH THE FUTURE. **OWN THE BEAST.**



 CLEAR. SIMPLE. COMPLIANT.
FTC APPROVED & COMPLIANT

MSRP / SUGGESTED RETAIL PRICE	\$89,000
DEALER DISCOUNT * (MOST BE AVAILABLE TO EVERYONE)	-\$5,000
	+
DEALER'S PROC FEE	\$1,000
	=
DEALER'S TOTAL SALE PRICE **	\$85,000

ETHICAL PRACTICES

- Dealers Total Sale Price ***\$85,000!” (If there are no discounts the Dealer Processing Fee must be included in the Suggested Retail Price**
- Dealers Total Price does not include government fees such as Tax, Tag/Title, and Electronic Titling filing fee.

EXAMPLE # 2 TOTAL PRICING VS HIDDEN FEES

DECEPTIVE (VIOLATES FTC ACT)

04

Many dealerships make the mistake of hiding dealer-required, nonnegotiable fees in fine print.”

WHY IT FAILS

- The dealer is utilizing "partial pricing". If a consumer cannot buy the car for \$24,500 because the prep, doc, and security fees are required by the dealership, the headline price is illegal bait-and-switch.

EXAMPLE # 2 TOTAL PRICING VS HIDDEN FEES

COMPLIANT (FTC APPROVED)

05

"2022 Ford Explorer – \$27,390" "Price includes all dealer fees, preparation charges, document fees, and pre-installed accessories. Only government taxes, title, and registration fees are extra."



2022 FORD EXPLORER

BUILT FOR WHAT MATTERS

TOTAL PRICE
\$27,390

Price includes all dealer fees, preparation charges, document fees, and pre-installed accessories.

ONLY GOVERNMENT TAXES, TITLE, AND REGISTRATION FEES ARE EXTRA.

3RD ROW SEATING | BACK-UP CAMERA | BLUETOOTH® CONNECTIVITY | ALL-WHEEL DRIVE | FORD CO-PILOT360™

READY FOR ANY ADVENTURE.
TEST DRIVE TODAY!

YOUR DEALERSHIP
YOUR COMMUNITY. YOUR DEALER.

WHY IT PASSES

- The headline price represents the actual minimum total the consumer must pay to drive the car off the lot (excluding state taxes/tags).

EXAMPLE # 3 FINANCING CONDITIONS & DOWN PAYMENTS

DECEPTIVE (VIOLATES FTC ACT)

Advertising a low price that is secretly dependent on specific financing terms or massive down payments is heavily scrutinized.

DRIVE IT HOME TODAY FOR \$15,000!

LIMITED TIME SUPER DEAL! DON'T MISS OUT!

- ✓ **NO CREDIT? NO PROBLEM!**
- ✓ **LOW PAYMENTS! BIG SAVINGS!**
- ✓ **EVERYONE APPROVED!**

ACT NOW! HURRY, OFFER ENDS SOON!

*Price requires a \$5,000 down payment or qualified trade-in. Must finance through Dealer Capital Corp at standard rates. Cash price is \$20,000.

YOUR DEALERSHIP
RIGHT CAR. RIGHT PRICE. RIGHT NOW.

WHY IT FAILS

- The \$15,000 headline price is a lie. It hides a mandatory \$5,000 out-of-pocket cost and forces the buyer into dealer-controlled financing.

EXAMPLE # 3 FINANCING CONDITIONS & DOWN PAYMENTS

COMPLIANT (FTC APPROVED)

"2020 Honda Civic – \$20,000" "Finance option: \$15,000 amount financed with a \$5,000 down payment. Requires financing through Dealer Capital Corp for qualified buyers (720+ FICO, 6.9% APR). Cash purchase price is \$20,000."



2020 HONDA CIVIC
RELIABLE. STYLISH. READY TO DRIVE!

YOUR PRICE
\$20,000

FINANCE OPTION:
\$15,000
AMOUNT FINANCED
WITH
\$5,000
DOWN PAYMENT

**GREAT VALUE!
DON'T WAIT!
LIMITED TIME OFFER!**

✓ LOW MONTHLY PAYMENTS!
✓ QUICK APPROVAL!
✓ DRIVE HOME TODAY!

APPLY TODAY!

Finance option: \$15,000 amount financed with a \$5,000 down payment. Requires financing through Dealer Capital Corp for qualified buyers (720+ FICO, 6.9% APR). Cash purchase price is \$20,000.

YOUR DEALERSHIP
QUALITY CARS. HONEST PRICES.

WHY IT PASSES

- The true purchase price (\$20,000) is clear. The financing terms and the required down payment are presented transparently without misleading mathematics.

EXAMPLE # 4 STACKED / CONDITIONAL REBATES

DECEPTIVE (VIOLATES FTC ACT)

Dealers cannot advertise "catch-all" prices using discounts that the vast majority of shoppers will not qualify for.



2023 CHEVY SILVERADO

LIMITED TIME OFFER!
GET YOURS TODAY!

\$35,000!

BEST VALUE. BEST TRUCK.
DRIVE HOME TODAY!

THIS PRICE INCLUDES:

- ✓ **\$2,000** MILITARY DISCOUNT
- ✓ **\$1,500** RECENT COLLEGE GRAD REBATE
- ✓ **\$1,500** FIRST-TIME BUYER LOYALTY CREDIT

POWER. PERFORMANCE. RELIABILITY.

- 5.3L V8 ENGINE
- 12,200 LBS TOWING
- TOUCHSCREEN DISPLAY
- APPLE CARPLAY® & ANDROID AUTO™
- CHEVY SAFETY ASSIST

Price includes \$2,000 Military Discount, \$1,500 Recent College Grad Rebate, and \$1,500 First-Time Buyer Loyalty Credit.

CHEVROLET FIND NEW ROADS™

WHY IT FAILS

- These rebates are mutually exclusive or highly specific. A consumer cannot realistically be a recent college grad, an active-duty military member, and a first-time buyer all at once.

EXAMPLE # 4 STACKED / CONDITIONAL REBATES

COMPLIANT (FTC APPROVED)

"2023 Chevy Silverado – \$40,000" "Additional rebates available for those who qualify: Military (\$2,000), College Graduate (\$1,500), or First-Time Loyalty (\$1,500)."



2023 CHEVY SILVERADO
BUILT FOR WORK. READY FOR LIFE.

YOUR PRICE
\$40,000

Price includes all dealer fees, preparation charges, document fees, and pre-installed accessories.

Only government taxes, title, and registration fees are extra.

ADDITIONAL REBATES AVAILABLE FOR THOSE WHO QUALIFY:

	MILITARY REBATE	\$2,000
	COLLEGE GRADUATE REBATE	\$1,500
	FIRST-TIME LOYALTY REBATE	\$1,500

5.3L V8 ENGINE | 12,200 LBS TOWING | TOUCHSCREEN DISPLAY | APPLE CARPLAY® & ANDROID AUTO™ | CHEVY SAFETY ASSIST

CHEVROLET | FIND NEW ROADS™ | YOUR TRUSTED DEALERSHIP
GREAT VEHICLES. GREAT SERVICE. GREAT VALUE.

Rebates are available to those who qualify. See dealer for complete details and eligibility requirements.

WHY IT PASSES

- The base advertised price is attainable by any retail buyer. Conditional discounts are treated as potential bonuses, not baked into the main price.



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FTC WARNS 97 AUTO DEALERSHIPS AND DEALER GROUPS ABOUT DECEPTIVE PRICING

The Letters

The letters focused on online pricing practices — specifically, doc fees and add-ons not disclosed upfront in vehicle listings.

Third Party

The dealer is responsible when a third-party platform shows the wrong pricing.

AI & the FTC

AI platforms use artificial intelligence to scrape and audit out-the-door price quotes online, catching dealers violating these federal rules and using that data to publicly "grade" them

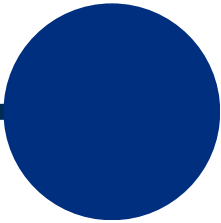
CARS Rule

The CARS Rule was vacated following a challenge led by NADA, but many of the obligations contemplated in the rule are still covered by Section 5 of the FTC Act

TRUTH IN ONLINE LISTINGS AND RESPONSIBILITIES

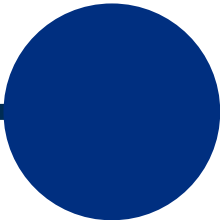


ACCURATE LISTINGS



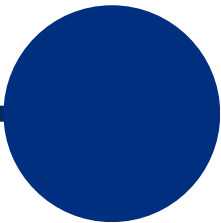
Ensure all your online vehicle listings are accurate and include clear breakdowns of costs.

UNAVAILABLE INVENTORY



Advertising unavailable or nonexistent vehicles to lure buyers onto the lot (bait-and-switch) is a direct violation of the FTC Act

VEHICLE REMOVAL



Remove vehicle listings from your website and third-party platforms as soon as they are sold to prevent deceptive advertising claims.

HAVE MORE QUESTIONS???

CONTACT US



Symbol of Quality

At VIADA, we are here to educate, inform, and represent Virginia's independent dealers. We are your partner, your advocate, and your resource. Together, we are stronger, and together, we drive the success of Virginia's independent dealer community.



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