



November 25, 2013

Federal Trade Commission  
Mr. Donald S. Clark  
Office of the Secretary, Room H-113 (Annex J)  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

**Comments of Consumers Union Regarding Proposed  
Extension of Disclosure Requirements Under Used Car Rule  
Docket No. FTC-FRDOC-0001-0734**

Consumers Union, the policy and advocacy arm of Consumer Reports, appreciates the opportunity to comment on the Commission's proposed extension of the current disclosure requirements under the Used Motor Vehicle Trade Regulation Rule ("Used Car Rule"). As explained below, and as we have stated in previous comments, we support the proposed strengthening of the current disclosure requirements, and recommend additional improvements. But meanwhile, as the stronger requirements are being developed, we support extending the current requirements so that they do not lapse. We believe these disclosure requirements provide important benefits to consumers, without imposing any undue cost or burden on used car dealers.

Although many have noted the shortcomings of the current Used Car Rule in the protections it provides for consumers, those protections are nonetheless meaningful, and should not be permitted to lapse, even for a brief time. As we stated previously in comments we submitted in connection with Docket No. FTC-2013-0016-0001, Fed. Reg. 74746, Dec. 17, 2012, we agree with those who have urged a number of ways in which the Used Car Rule be strengthened further, beyond what the Commission has proposed in its Notice of Proposed Rulemaking, so that it provides more effective protection to consumers.<sup>1</sup>

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<sup>1</sup> See, e.g., comments of Rosemary Shahan, Consumers for Auto Reliability and Safety (CARS), on behalf of CARS and others, at <http://www.ftc.gov/os/comments/usedcarrulenprm/563688-00142-85788.pdf>; comments of Evan W. Johnson and Clarence M. Ditlow, Center for Auto Safety, at <http://www.ftc.gov/os/comments/usedcarrulenprm/563688-00161-85786.pdf>; comments of Elisa Della-Piana, East Bay Community Law Center, at <http://www.ftc.gov/os/comments/usedcarrulenprm/563688-00160-85792.pdf>.

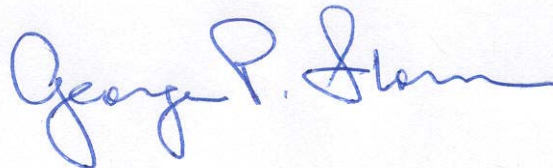
Among the improvements we would urge the Commission to adopt in addition to its proposed changes are the following:

- Require the dealer to check NMVTIS, the two new databases the Department of Transportation is establishing under MAP-21, and other auto history databases as appropriate, for each used vehicle it offers for sale, and to prominently state, on the front of the Buyers Guide, which databases have been checked, and whether any information was found, and to furnish any prospective buyer all such information for review before purchase. The dealer should be required to re-check the databases at the time of sale to ensure that the information given the buyer is up to date.
- Revise the required “As Is” notice to make clear that it means the dealer is not offering to provide any warranty for repairs, and that the buyer may still have legal rights against the dealer, but cannot rely on any statement the dealer makes regarding the quality of the vehicle or the buyer’s legal rights.
- Require the dealer to ascertain from the manufacturer whether any warranty applies to the vehicle, and to include all warranty information prominently on the front of the Buyers Guide.
- Require the dealer to make an appropriately thorough inspection of the vehicle to determine its condition, and to disclose any mechanical or safety problems it discovers or is aware of.
- Require a dealer who advertises in a foreign language to also offer the Buyers Guide and other required information in that foreign language.

We believe these steps could readily be made a routine part of a used car dealer’s operations, at only nominal cost to the dealer, and at great benefit to consumers and to the used car marketplace.

Although, in the meantime, we urge the Commission to extend the current Used Car Rule, so that its protections do not lapse, we would not wish to see such extension to become a basis for delaying development of a better, stronger, more protective Used Car Rule.

Respectfully,



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