

ORIGINAL

FILED
JAN 24 2008
SUPERIOR COURT
BETTY J. GOULD
THURSTON COUNTY CLERK

1 EXPEDITE
2 No Hearing Set
3 Hearing is Set
Date:
Time:

4
5
6
7
8 **IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON**
IN AND FOR THE COUNTY OF THURSTON

9 STATE OF WASHINGTON,

NO. 07-2-01687-0

10
11 Plaintiff,

CONSENT DECREE

12 v.

(CLERK'S ACTION REQUIRED)

13 AUTOMOTIVE CONSULTANT GROUP,
14 LLC., a for-profit Louisiana corporation,
15 CRAIG A. STOWE, as President and member
16 of Automotive Consultant Group, LLC.,
17 individually and on behalf of his marital
community, CAROLYN F. STOWE, as a
member of Automotive Consultant Group,
LLC., individually and on behalf of her marital
community,

18 Defendants.

19 **I. JUDGMENT SUMMARY**

20 Judgment Creditor: State of Washington

21 Judgment Debtors: Automotive Consultant Group, LLC;
22 Craig Stowe and Carolyn F. Stowe

23 Principal Judgment Amount:

a. Civil Penalties: \$ -0-
b. Restitution: None
c. Costs and Attorney Fees: \$8,000

24 Total Judgment: \$8,000

25 Post Judgment Interest Rate: 12% per annum
26

1 Attorneys for Judgment Creditor: Mary C. Lobdell, Assistant Attorney
2 General and Douglas D. Walsh, Senior
Assistant Attorney General

3 Attorney for Judgment Debtors: John Houghtaling
4 Gauthier, Houghtaling & Williams

5 1.1. Plaintiff, State of Washington, commenced this action on August 22, 2007,
6 pursuant to the Unfair Business Practices - Consumer Protection Act ("Consumer Protection
7 Act"), chapter 19.86 RCW; the Unfair Business Practices-Dealers' Licenses, chapter 46.70
8 RCW; and the Promotional Advertising of Prizes Act, chapter 19.170 RCW.

9
10 1.2. Plaintiff is appearing by and through its attorneys Robert M. McKenna,
11 Attorney General, and Mary C. Lobdell, Assistant Attorney General. Defendants Automotive
12 Consultant Group, LLC and Craig Stowe as President of Automotive Consultant Group, LLC and
13 Carolyn Stowe, a member of Automotive Consultant Group, LLC are appearing by and through
14 their attorney, John W. Houghtaling, II, of Gauthier, Houghtaling & Williams.

15
16 1.3. The state of Washington and the Defendants have agreed on a basis for
17 settlement of the matters alleged in the Complaint, and to the entry of this Consent Decree
18 against the Defendants without the need for trial or adjudication of any issue of law or fact.

19 1.4. The state of Washington and Defendants agree that this Consent Decree does
20 not constitute evidence or an admission regarding the existence or non-existence of any issue,
21 fact, or violation of any law alleged by Plaintiff and Defendants specifically deny that they
22 have violated in any manner the laws and statutes of the State of Washington enumerated
23 hereinabove.

24
25 1.5. Defendants recognize and state that this Consent Decree is entered into
26

1 voluntarily to ensure understanding of and future compliance with the relevant laws and
2 statutes of the state of Washington and that no promises or threats have been made by the
3 Attorney General's Office or any member, officer, agent or representative thereof to induce it
4 to enter into this Consent Decree, except as provided herein.

5
6 1.6. Defendants waive any right they may have to appeal from this Consent Decree;
7 and

8 1.7. Defendants agree that they will not oppose the entry of this Consent Decree on
9 the grounds the Consent Decree fails to comply with Rule 65(d) of the Rules of Civil
10 Procedure, and hereby waives any objection based thereon; and

11 1.8. Defendants further agree that this Court shall retain jurisdiction of this action
12 for the purpose of implementing and enforcing the terms and conditions of the Consent Decree
13 and for all other purposes; and

14
15 The Court finding no just reason for delay;

16 NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED as
17 follows:

18
19 **II. GENERAL**

20 2.1. Jurisdiction. This Court has jurisdiction of the subject matter of this action and
21 of the parties. The Plaintiff's Complaint in this matter makes claims under the provisions of
22 the Unfair Business Practices – Consumer Protection Act, chapter 19.86 RCW; chapter
23 19.170.010 RCW, Promotional Advertising of Prizes Act; and the Unfair Business Practices –
24 Dealers' Licenses, chapter 46.70 RCW.

25 2.2. Defendant. For purposes of this Consent Decree the term "Defendants," where
26

1 not otherwise specified, shall mean Automotive Consultant Group, LLC, Craig Stowe, and
2 Carolyn Stowe.

3 III. INJUNCTIONS

4 3.1. Notice. Defendants shall immediately inform all of its personnel having
5 responsibility for the sale or advertising of new or used vehicles of the terms and conditions of
6 this Consent Decree.
7

8 3.2. Injunctions. Defendants and all their successors, assigns, transferees, officers,
9 agents, servants, employees, representatives and all other persons or entities in active concert or
10 participation with Defendants are hereby permanently enjoined and restrained from directly or
11 indirectly engaging in any acts or practices that violate RCW 46.70.180 or WAC 308-66-152 in
12 the state of Washington, including, but not limited to the following:
13

14 3.2.1. Defendants shall not misrepresent, in any manner, directly or by
15 implication, the number of vehicles offered for sale at an advertised price.
16 Defendants shall clearly and conspicuously identify the number of vehicles
17 available by vehicle identification number or license plate number when
18 Defendants advertise specific prices for specific models or types of vehicles. In
19 the alternative to such disclosures, Defendant may clearly and conspicuously
20 disclose for each advertised vehicle that the vehicle identification number or
21 license plate number "is available from the dealer upon request." Defendant
22 shall otherwise comply with the other requirements of WAC 308-66-152(4)(i).

23 3.2.2. Defendants shall not misrepresent, in any manner, directly or by
24 implication, any material limitation related to the sale of a vehicle, including
25
26

1 limitations related to credit, new or used vehicle, time limit of offer or trade-in
2 value. Defendants shall clearly and conspicuously disclose in any
3 advertisement all material limitations to the sale of a vehicle in a type size
4 sufficiently large to be read with reasonable ease.

5
6 3.2.3. Defendants shall not directly or by implication use statements in their
7 advertisements that create a false sense of urgency, that guarantee a minimum
8 trade-in allowance, that guarantee credit, such as “no credit application
9 refused,” or “credit problems – no problem,” that Defendants vehicles are sold
10 for less than competitors and other such statements unless such statements are
11 true and Defendants can clearly show through the records of the dealership the
12 truth of these statements.

13
14 3.2.4. Defendants shall not express advertised price as a combination of dollar
15 figures and words without providing all component figures and the total dollar
16 figures expressed as required by WAC 308-66-152(4)(1).

17 3.2.5 Defendants shall not use words, phrases or initials in their
18 advertisements that are not easily comprehended by persons other than those
19 closely allied with the vehicle industry.

20
21 3.2.6. Defendants shall not advertise a credit sale of a vehicle using a credit
22 disclosure triggering term without clearly disclosing that the offer refers to a
23 lease or providing all of the required disclosures, in violation of RCW
24 46.70.180(1); WAC 308-66-152(1); WAC 308-66-152(6); Truth In Lending Act
25
26

1 (TILA) Regulation Z, 12 C.F.R. § 226; Regulation M, 15 USC § 1601 *et seq.*
2 and 12 C.F.R. § 215 or RCW 46.70.180.

3 3.2.7. Defendants shall not misrepresent, in any manner directly or by
4 implication the price of a vehicle by use of a false reference price.

5 3.2.8. Defendants shall not collect a vehicle documentary fee in any manner
6 without having clearly and conspicuously advertised that a documentary fee will
7 be added to the sale price of the vehicle as provided by RCW 46.70.180(2) and
8 WAC 308-66-152. Disclosure of a vehicle documentary fee shall be in a type
9 size sufficiently large to be read with reasonable ease.

10 3.2.9. Defendants shall not advertise “free” merchandise with the purchase of a
11 vehicle.
12

13 3.2.10. Defendants shall not advertise words, phrases and initials that are not
14 clear and conspicuous and in a type size sufficiently large to be read with
15 reasonable ease and in relative close proximity to each of the terms that require
16 disclosure and in such color and contrast that the words are not obscured.
17

18 3.2.11. Defendants shall not violate the Promotional Advertising of Prizes Act,
19 chapter 19.170 RCW, by failing to provide the verifiable retail value and odds
20 for each prize, stated in immediate proximity on the same page with the first
21 listing of each prize in type at least as large as the typeface used in the standard
22 text of the offer as well as other provisions required by RCW 19.170.030(4).
23
24
25
26

1 **IV. ATTORNEY'S FEES AND COSTS**

2 4.1. Pursuant to RCW 19.86.080, Plaintiff shall recover and Defendants shall pay the
3 costs and reasonable attorney's fees incurred by the Plaintiff in pursuing this matter in the amount
4 of \$8,000 in a cashier's check payable upon execution of this Consent Decree.
5

6 4.2. Defendants shall bear Plaintiff's reasonable costs, including reasonable attorneys'
7 fees, in any successful action to enforce any of the provisions of this Consent Decree.

8 **V. TERMS OF PAYMENT**

9 5.1. All payments due under this agreement shall be made payable to the order of the
10 "Attorney General-State of Washington" and sent to the Office of the Attorney General,
11 Attention: Cynthia Lockridge, Administrative Office Manager, 800 Fifth Avenue, Suite 2000,
12 Seattle, Washington, 98104-3188 at the time of signing this Consent Decree.
13

14 5.2. Interest on any unpaid balance shall accrue in the amount of twelve percent (12%)
15 per annum from and after the date upon which it becomes due.

16 **VI. ENFORCEMENT**

17 6.1. Any violation committed specifically by Automotive Consultant Group, LLC,
18 Craig Stowe or Carolyn Stowe after the date of entry of this Consent Decree of any of the
19 injunctive terms of this Consent Decree shall constitute a violation of an injunction for which
20 civil penalties of up to \$25,000.00 per violation may be sought by the Attorney General
21 pursuant to RCW 19.86.140.
22

23 6.2. Jurisdiction is retained for the purpose of enabling any party to this Consent
24 Decree to apply to the Court at any time for enforcement of compliance with this Consent
25 Decree.
26

1 **6.3.** Defendants acknowledge that representatives of the Office of the Attorney
2 General shall be permitted, under the Consumer Protection Act, to access, inspect and/or copy,
3 all business records or documents under control of Defendants and depose any officer, director,
4 agent, or employee of Defendants, in order to monitor compliance with this Consent Decree,
5 provided that the inspection and copying shall be done in such a way as to avoid disruption of
6 Defendants' business activities, and all shall be subject to a ten (10) day notice.
7

8 **6.4.** Nothing in this Consent Decree shall be construed as to limit or bar any
9 consumer from pursuing other available civil remedies against Defendants.
10

11 **6.5.** Under no circumstances shall this Consent Decree or the name of the state of
12 Washington, the Office of the Attorney General, Consumer Protection Division, or any of their
13 employees or representatives be used by Defendants in connection with any selling,
14 advertising, or promotion of products or services, or as an endorsement or approval of
15 Defendants' acts, practices or conduct of business.
16

17 **6.6.** This proceeding in all other respects is hereby dismissed with respect to
18 Automotive Consultant Group, LLC, Craig Stowe and Carolyn Stowe.
19

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

6.7. This Consent Decree is entered pursuant to RCW 19.86.080.

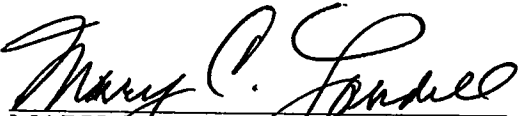
DONE IN OPEN COURT this 24th day of Jan, 2007.

DAVID HUNTER OF MONTLAW
COURT COMMISSIONER

JUDGE/COURT COMMISSIONER

Approved for entry and presented by:

ROBERT M. MCKENNA
Attorney General




MARY C. LOBDELL, WSBA #17930
Assistant Attorney General
Attorney for Plaintiff
State of Washington

DATED 1/16/08


Approved For Entry, Notice of Presentation Waived:

GAUTHIER, HOUGHTALING & WILLIAMS




JOHN W. HOUGHTALING, LSBA # 25099
Attorney for Defendants
Automotive Consultant Group, LLC;
Craig Stowe and Carolyn Stowe

DATED 1/14/08



CRAIG STOWE

DATED 1/14/08



CAROLYN E. STOWE

DATED 1/14/08