

State of Louisiana

LOUISIANA MOTOR VEHICLE COMMISSION

John Bel Edwards Governor

Lessie A. House Executive Director

January 15, 2016

Bulletin #B-2016-001

TO: All Vehicle Dealers

FROM: L. A. House, Executive Director

RE: Advertising of "First" and/or "Largest" and/or "Biggest" 1

The Louisiana Motor Vehicle Commission ("LMVC") at its meeting was presented with the following scenario:

A dealership is owned by Mr./Mrs. A and licensed by the LMVC to sell Manufacturer X motor vehicles or recreational products. This same dealership is also licensed by the LMVC to sell Manufacturer Y motor vehicles or recreational products. This dealership cumulates the respective sales from both manufacturers to advertise the dealership is "first" and/or "largest" and/or "biggest" in the number of total sales. For example, a person owns and operates a Buick and a GMC dealership from the same location, and the dealership is commonly referred to as a Buick/GMC dealer. However, they are not the "first" and/or "largest" and/or "biggest" in sales independently.

The advertising rules and regulations prohibit the cumulation of the number of sales of these two franchised dealers to advertise a claim of "first" and/or "largest" and/or "biggest", even if both franchises have the same owner and operate from the same location. If the Buick dealership can substantiate that it is the "first" and/or "largest" and/or "biggest" as per Rule 713(A) and/or if the GMC dealership can substantiate that it is the "first" and/or "largest" and/or "biggest" as per Rule 713(A), then each may advertise that it is "first" and/or "largest" and/or "biggest." However, there can be no cumulation of sales to advertise that there is a Buick/GMC dealership that is "first" and/or "largest" and/or "biggest" as per Rule 713(A).

Given the above, a recreational product dealer cannot combine the sales of multiple manufacturers to claim "first" and/or "largest" and/or "biggest" of a certain class of vehicle. For example, a travel trailer dealer cannot combine all of his/her travel trailer sales and claim the number one travel trailer dealer. A "first" and/or "largest" and/or "biggest" claim shall be based on the sales of a particular manufacturer not a class of vehicle.

¹Rule 713 (A) provides that: "The following statements are prohibited, list not exclusive: 7. any claims such as "first," "largest" and/or "biggest"may be advertised only when **the licensee** is the "first," "largest" and/or "biggest" in retail sales for a calendar year. The claim of "first," "largest" and/or "biggest" must be qualified as to validity (using valid source data) and the time period of the claim with all qualifying language to be in the same size print as the claim. Additionally, the advertisement of the claim may only be utilized for the following calendar year." (Emphasis added.)