

**MINUTES OF THE
LOUISIANA MOTOR VEHICLE COMMISSION
MOTOR VEHICLE SALES FINANCE DIVISION
3519 12th Street
Metairie, Louisiana 70002
Monday, January 9, 2017**

The meeting was called to order at 11:11 a.m. by Chairman Raymond J. Brandt.

Present were:

Chairman Raymond J. Brandt	Commissioner Allen O. Krake
Commissioner V. Price LeBlanc, Jr.	Commissioner Gregory Lala
Commissioner Eric R. Lane	Commissioner Kenneth "Mike" Smith
Commissioner Keith M. Marcotte	Commissioner Randy Scoggin
Commissioner Joseph W. "Bill" Westbrook	Commissioner Terryl J. Fontenot
Commissioner Maurice C. Guidry	

L. A. House, Executive Director
Adrian F. LaPeyronnie, III, Counselor
Gregory F. Reggie, Counselor
Burgess E. McCranie, Jr., Counselor

Absent were:

Commissioner Harold H. Perrilloux	Commissioner Stephen L. Guidry, Jr.
Commissioner Keith P. Hightower	Commissioner Donna S. Corley

Also, in attendance were Commission staff: Ingya Cattle, Assistant Executive Director; Art Quick, Commission Investigator 5; Commission Investigator Supervisors: Mike Laviolette and Scott Landreneau; Commission Investigators: Wayne Lee, Neil Rogers, Antoine Derouen, Kevin Broussard, Ben Guidry, and Angel Blackford; Stacey Broussard, Administrative Coordinator Supervisor; and Administrative Coordinators: Pam Mangin and Jeannette Chambon.

The Chairman opened the floor to a discussion concerning advertisements by persons applying and/or possessing Sales Finance licenses. The Executive Director stated one of the mandates of the declaration of public policy (LSA-R.S. 32:1251) of the Louisiana Motor Vehicle Commission is to prevent false and misleading advertising. The Executive Director continued by adding LSA-R.S. 6:969.3. B. of the Sales Finance Act states: All persons financing the purchase or acquisition of a motor vehicle, irrespective of whether the transaction otherwise is subject to this Chapter, shall comply with the requirements of R.S. 32:1251 et seq. and the rules and regulations of the Louisiana Motor Vehicle Commission pertaining to advertising. Commission Counsel noted for the Commission Members the particular Advertising Rules for this discussion are:

§703. General Prohibition

A. A person advertising vehicles shall not use false, deceptive, unfair, or misleading advertising.

§711. Accuracy

A. All advertised statements shall be accurate, clear and conspicuous.

§713. Untrue Claims

A. The following statements are prohibited, list not exclusive:

4. statements representing that because of its large sales volume a person is able to purchase vehicles for less than another person selling the same make of vehicles. Statements such as "big volume buying power," "manufacturer's outlet," "factory authorized outlet," and "factory wholesale outlet," shall not be used. Any term that gives the consumer the impression the dealer has a special arrangement with the manufacturer or distributor as compared to similarly situated dealers, is misleading and shall not be used;

§745. Manufacturer Sales; Wholesale Prices

A. New vehicles shall not be advertised for sale in any manner that creates the impression that they are being offered for sale by the manufacturer or distributor of the vehicles. **Advertisements by persons shall not contain terms such as "factory sale," "fleet prices," "wholesale prices," "factory approved," "factory sponsored," or any other similar terms which indicate sales other than retail sales from the dealer.**

§747. Savings Claims; Discounts

E. No person may advertise a savings claim or discount offer on used vehicles.

Commission Counsel stated the Commission also would need to consider:

LSA-R.S. 51:411. Advertisements, untrue or misleading, prohibited; penalty

A. No person, with intent to sell or in any way dispose of merchandise, securities, service, or anything directly or indirectly, to the public for sale or distribution, or with intent to increase the consumption, or to induce the public in any manner to enter into any obligation relating thereto, or to acquire title, or an interest therein, shall make, publish, disseminate, circulate,

or place before the public, or cause directly or indirectly to be made, published, disseminated, circulated, or placed before the public, in this state, in a newspaper or other publication, or in the form of a book, notice, hand-bill, poster, bill, circular, pamphlet, or letter, or radio broadcasts, telecasts, wire, wireless, motion picture, or in any other way, an advertisement of any sort regarding merchandise, securities, service, or anything offered to the public, which advertisement contains any assertion, representation, or statement of fact which is untrue, deceptive, or misleading.

B. No person shall falsely advertise, represent, or hold out that any sale of goods, wares, or merchandise is an insurance, salvage, removal, closing out, going out of business, liquidation or smoke, fire, or water damage sale. Such a sale may be conducted for a maximum of six months. No person contemplating such a sale may order any goods for the purpose of selling them at such a sale, and any purchases or additions to the stock during the term of the sale or within sixty days prior to the sale shall constitute a violation of this Section.

C. No person shall advertise, represent, or hold out that he is selling or will sell any goods, wares, or merchandise at wholesale prices, unless he is a wholesaler, as defined herein, and unless the sales will be wholesale sales, as defined herein. A wholesaler, for purposes of this Section, is a person whose sales are wholesale sales as hereinafter defined. A wholesale sale is a sale for the purpose of resale in the ordinary course of business or a sale for purposes other than resale but at the price at which retailers currently purchase the same or similar goods or commodities at current wholesale prices offered by a bona fide wholesale house in its trade area; however, nothing herein shall apply to wholesalers selling in bulk or in quantities in excess of those which consumers usually purchase from bona fide retail outlets. Nothing in this Section shall prevent a person from being both a wholesaler and a retailer, providing that under this operation the firm has both a retail and a wholesale occupational license.

D. The carriage by a radio or television broadcast station or by a cable television station or newspaper of advertising which is found to be in violation of this Section shall not be considered a violation by the broadcast or television station or newspaper of this Section.

E. Whoever violates this Section shall be fined not less than five hundred dollars nor more than twenty-five hundred dollars or imprisoned for not less than ten days nor more than six months, or both for each offense.

The Executive Director advised the Commission Members a question had been raised regarding motor vehicle sales finance licensees utilizing phrases such as "Wholesale", "Best Buy Auto Plex", or "Guaranteed Auto Finance" in their corporate name and/or DBA name and the display of that name to the public. After a lengthy discussion, the Commission deemed that the use of "Wholesales", "Best Buy", and "Guaranteed" are in violation of rules and law and the display of that in a name to the public is an advertisement as defined by the advertising rules and regulations. With regard specifically to use of wholesale and/or wholesalers, the Commission agreed it creates the impression that a vehicle is being offered for sale by a manufacturer or distributor of the vehicle and that it is a sale other than a retail sale from the dealer. Commissioner Krake made a motion to deny submitted application containing the words "Wholesales", "Best Buy", or "Guaranteed" in the name and to notify existing licensees of the violation, giving them an opportunity to correct the matter and reapply. Commissioner Smith seconded this motion and it was unanimously approved.

Chairman Brandt called for a reading of the minutes of the November 14, 2016 meeting. Commissioner Krake made a motion to accept the minutes as read. Commissioner LeBlanc seconded this motion and it was unanimously approved.

The Executive Director was directed to include in these minutes the following excerpt from the Louisiana Motor Vehicle Commission meeting immediately preceding this meeting.

"Chairman Brandt asked for a review of the November and December financial statements of the Louisiana Motor Vehicle Commission, Motor Vehicle Sales Finance Division, copies of which were before each Commission Member. Commissioner Guidry made a motion to accept the November and December financial statements as presented and incorporate into these minutes. This motion was seconded by Commissioner Krake and it was unanimously approved."

Chairman Brandt called for a review of the motor vehicle sales finance licenses issued.

The Executive Director reported the application and supporting documentation were in order for the following initial motor vehicle sales finance applicants.

SALES FINANCE COMPANY	CITY	LIC. #
AB's Engineering, LLC	New Orleans, Louisiana	#SF-2016-01298
Sunshine Quality Solutions, LLC DBA Sunshine	Franklinton, Louisiana	#SF-2016-01299
Sunshine Quality Solutions, LLC DBA Sunshine	Thibodaux, Louisiana	#SF-2016-01300
Sunshine Quality Solutions, LLC DBA Sunshine	Franklin, Louisiana	#SF-2016-01301
Sunshine Quality Solutions, LLC DBA Sunshine	New Iberia, Louisiana	#SF-2016-01303
Sunshine Quality Solutions, LLC DBA Sunshine	Lafayette, Louisiana	#SF-2016-01304

Sunshine Quality Solutions, LLC DBA Sunshine	Opelousas, Louisiana	#SF-2016-01305
Sunshine Quality Solutions, LLC DBA Sunshine	Abbeville, Louisiana	#SF-2016-01306
Sunshine Quality Solutions, LLC DBA Sunshine	Baton Rouge, Louisiana	#SF-2016-01307
Sunshine Quality Solutions, LLC DBA Sunshine	Crowley, Louisiana	#SF-2016-01308
Sunshine Quality Solutions, LLC DBA Sunshine	Eunice, Louisiana	#SF-2016-01309
Sunshine Quality Solutions, LLC DBA Sunshine	Welsh, Louisiana	#SF-2016-01310
Mariner Finance, LLC	Shreveport, Louisiana	#SF-2016-01311
Fred Ross Yelverton DBA The Sale Barn	Abbeville, Louisiana	#SF-2016-01312
Sunshine Quality Solutions, LLC DBA Sunshine	Covington, Louisiana	#SF-2016-01313
Sunshine Quality Solutions, LLC	Donaldsonville, Louisiana	#SF-2016-01314
Sunshine Quality Solutions, LLC DBA Sunshine	Hammond, Louisiana	#SF-2016-01315
Sunstone Credit, LLC	New York, New York	#SF-2016-01316
Snyder Enterprises, L.L.C. DBA Indian/BMW Motorcycles of Shreveport DBA Indian Motorcycles of Shreveport DBA BMW Motorcycles of Shreveport DBA Shreveport Cycles	Shreveport, Louisiana	#SF-2016-01317
Harbor Financial of Franklinton, Inc.	Franklinton, Louisiana	#SF-2016-01318
OneMain Financial of Texas, Inc. DBA OneMain	Evansville, Indiana	#SF-2016-01319
OneMain Consumer Loan, Inc. DBA OneMain	Evansville, Indiana	#SF-2016-01320
OneMain Consumer Loan, Inc. DBA OneMain	London, Kentucky	#SF-2016-01321
OneMain Consumer Loan, Inc. DBA OneMain Financial Services	Tempe, Louisiana	#SF-2016-01322
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Alexandria, Louisiana	#SF-2016-01323
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Baker, Louisiana	#SF-2016-01324
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Baton Rouge, Louisiana	#SF-2016-01325
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Bossier City, Louisiana	#SF-2016-01326
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Covington, Louisiana	#SF-2016-01327
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Denham Springs, Louisiana	#SF-2016-01328
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Gonzales, Louisiana	#SF-2016-01329
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Gretna, Louisiana	#SF-2016-01330
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Hammond, Louisiana	#SF-2016-01331
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Harahan, Louisiana	#SF-2016-01332
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Houma, Louisiana	#SF-2016-01333


OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Kenner, Louisiana	#SF-2016-01334
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Lafayette, Louisiana	#SF-2016-01335
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Monroe, Louisiana	#SF-2016-01336
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Morgan City, Louisiana	#SF-2016-01337
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Lake Charles, Louisiana	#SF-2016-01338
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	New Iberia, Louisiana	#SF-2016-01339
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Marrero, Louisiana	#SF-2016-01340
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	New Orleans, Louisiana	#SF-2016-01341
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Opelousas, Louisiana	#SF-2016-01342
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Metairie, Louisiana	#SF-2016-01343
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Ruston, Louisiana	#SF-2016-01344
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Slidell, Louisiana	#SF-2016-01345
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Thibodaux, Louisiana	#SF-2016-01346
OneMain Financial of Louisiana, Inc. DBA OneMain Financial	Shreveport, Louisiana	#SF-2016-01347
Joel's Auto Sales, L.L.C.	Alexandria, Louisiana	#SF-2017-00501
H&E Equipment Services, Inc.	New Orleans, Louisiana	#SF-2017-00508
Dodson Equipment Company	Dodson, Louisiana	#SF-2017-00509
Prestige Financial Services, Inc. DBA Prestige Financial	Salt Lake City, Utah	#SF-2017-00511
Airline Auto Mart, L.L.C.	Baton Rouge, Louisiana	#SF-2017-00513
Jefferson Capital Systems, LLC	St. Cloud, Minnesota	#SF-2017-00678
Swain's Auto Sales, Inc.	Sibley, Louisiana	#SF-2017-00883

Commissioner Krake made a motion to ratify the motor vehicle sales finance licenses issued to these initial motor vehicle sales finance applicants. Commissioner Lane seconded this motion and it was unanimously approved.

The Chairman called for a review of the licenses issued. Commissioner LeBlanc made a motion to ratify the licenses issued: motor vehicle sales finance, #SF-2016-01298 through #SF-2016-01347 and #SF-2017-00252 through #SF-2017-00884; GAP Administrators, #GA-2017-00100 through #GA-2017-00107; and GAP Administrator Agents, #GAA-2016-00105 through #GAA-2016-00106; #GAA-2017-00001 through #GAA-2017-00012. Commissioner Lala seconded the motion and it was unanimously approved.

The Executive Director reported on routine matters being handled by the staff and not requiring action by the Commission at this time.

There being no further business, Commissioner Maurice Guidry made a motion to adjourn the meeting at 11:25 a.m. Commissioner Westbrook seconded this motion and it was unanimously approved.


Chairman


Executive Director