

requires respondent in any lease advertisement to state that a specific lease of any property at specific amounts or terms is available only if the lessor usually and customarily leases or will lease such property at those amounts or terms, as required by Regulation M.

The proposed order also prohibits respondent Herb Gordon Auto from failing to comply in any other respect with the TILA and Regulation Z and the CLA and Regulation M.<sup>3</sup>

The proposed order defines the term "clearly and conspicuously" for respondent's advertisements in all media. In a television or videotaped advertisement, the required disclosures made in the audio portion of the advertisement must be in a volume, cadence and location, and for a duration, as to be readily noticeable, hearable and comprehensible to an ordinary consumer. The required disclosures made in the video portion of the advertisement must appear on the screen in a size, shade, contrast, prominence and location, and for a duration, as to be readily noticeable, readable and comprehensible to an ordinary consumer. In a radio advertisement, the required disclosures must be delivered in a volume, cadence and location, and for a duration, as to be readily noticeable, hearable and comprehensible to an ordinary consumer. In a print advertisement (including but not limited to mail solicitations), the required disclosures must appear in a size, shade, contrast, prominence and location as to be readily noticeable, readable and comprehensible to an ordinary consumer. Additionally, nothing contrary to, inconsistent with or in mitigation of the required disclosures can be used in any advertisement.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

Donald S. Clark,  
Secretary.

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184(b) of the CLA, 15 U.S.C. 1667c(b), as amended by Title II, section 2605 of the Omnibus Act (to be codified at 15 U.S.C. 1667c(c)) ("Section 184(c) of the revised CLA"), as amended, or utilize § 213.7(f) of revised Regulation M (to be codified at 12 CFR 213.7(f)), as amended. For television lease advertisements, respondent may also utilize § 213.7(f) of revised Regulation M, as amended.

<sup>3</sup>The proposed order permits respondent to comply with other requirements of existing Regulation M, 12 CFR part 213, as amended, and the CLA, 15 U.S.C. 1667-1667e, as amended, by utilizing revised Regulation M, as amended.

[File No. 952-3009]

**Huling Bros. Chevrolet, Inc.; Huling Buick, Inc.; Huling Bros. Chrysler/Plymouth, Inc.; Analysis to Aid Public Comment**

**AGENCY:** Federal Trade Commission.  
**ACTION:** Proposed consent agreement.

**SUMMARY:** In settlement of alleged violations of federal law prohibiting unfair or deceptive acts or practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would prohibit, among other things, the Seattle-based automobile dealerships from misrepresenting financing terms and would require them to comply with federal laws mandating accurate disclosure of the annual percentage rate and monthly payments in financed offers and clear and conspicuous disclosure of major automobile deal terms. They also agreed not to advertise terms that are not actually available to consumers. The Commission had alleged that Huling Bros.' advertising understated the true annual percentage rate ("APR") for their financed purchase deals or failed to state the APR at all, even though a triggering term appeared in the ads, defeating the purpose of the APR as a means for assisting consumers in comparison shopping.

**DATES:** Comments must be received on or before April 7, 1997.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW., Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:**

Charles Harwood, Federal Trade Commission, Seattle Regional Office, 2896 Federal Building, 915 Second Ave., Seattle, WA 98174 (206) 220-6350.

George Zweibel, Federal Trade Commission, Seattle Regional Office, 2896 Federal Building, 915 Second Ave., Seattle, WA 98174. (206) 220-4485

**SUPPLEMENTARY INFORMATION:** Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46, and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the accompanying complaint. An electronic

copy of the full text of the consent agreement package can be obtained from the Commission Actions section of the FTC Home Page (for January 23, 1997), on the World Wide Web, at "http://www.ftc.gov/os/actions/htm." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, either in person or by calling (202) 326-3627. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with § 4.9(b)(6)(ii) of the Commission's rules of practice (16 CFR 4.9(b)(6)(ii)).

**Analysis of Proposed Consent Order to Aid Public Comment**

The Federal Trade Commission has accepted an agreement to a proposed consent order from respondents Huling Bros. Chevrolet, Inc., Huling Buick, Inc., and Huling Bros. Chrysler/Plymouth, Inc.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

The complaint alleges that respondent Huling Bros. Chevrolet has disseminated, or caused to be disseminated, advertisements that state annual percentage rates as well as monthly payment amounts and vehicle sales prices, but in many instances understate the annual percentage rates by more than 1/4 of 1 percentage point, in violation of the Truth in Lending Act ("TILA") and §§ 226.22(a) and 226.24(b) and (c) of Regulation Z, and have also engaged in an unfair or deceptive act or practice, in violation of section 5(a) of the Federal Trade Commission Act ("FTC Act").

The complaint also alleges that respondents Huling Bros. Chevrolet, Huling Buick, and Huling Bros. Chrysler/Plymouth have disseminated, or caused to be disseminated, advertisements that state the amount or percentage of any downpayment, the number of payments or period of repayment, or the amount of any payment, but fail to state the annual percentage rate, in violation of the TILA and § 226.24(c) of Regulation Z.

The complaint also alleges that respondents Huling Bros. Chevrolet and Huling Buick have disseminated, or

caused to be disseminated, advertisements that state conflicting monthly payment amounts for the same transaction, thereby failing to disclose accurately the terms of repayment, in violation of the TILA and § 226.24(c) of Regulation Z, and have also engaged in an unfair or deceptive act or practice, in violation of section 5(a) of the FTC Act.

The complaint also alleges that respondents Huling Bros. Chevrolet, Huling Buick, and Huling Bros. Chrysler/Plymouth have disseminated, or caused to be disseminated, advertisements that state terms of repayment (such as monthly payment amounts) or annual percentage rates that are not actually arranged or offered by respondents, in violation of the TILA and § 226.24(a) of Regulation Z, and have also engaged in an unfair or deceptive act or practice, in violation of section 5(a) of the FTC Act.

The complaint also alleges that the respondents have disseminated, or caused to be disseminated, advertisements offering new motor vehicles that state monthly payment amounts, sale prices, and rebates, and which represent that "College Graduate" or "1st Time Buyer" rebates are available in conjunction with a payment plan in which monthly payments are at one amount for the first 12 months and are approximately double that amount thereafter ("Half Payment Program"). According to the complaint, College Graduate and 1st Time Buyer rebates are not available to purchasers who choose the Half Payment Program, and the respondents have therefore engaged in an unfair or deceptive act or practice, in violation of section 5(a) of the FTC Act.

The complaint also alleges that respondent Huling Buick has disseminated, or caused to be disseminated, advertisements that state a rate of a finance charge without stating that rate as an "annual percentage rate," using that term or the abbreviation "APR," in violation of the TILA and § 226.24(b) of Regulation Z.

The proposed order prohibits respondents Huling Bros. Chevrolet, Huling Buick, and Huling Bros. Chrysler/Plymouth, in any advertisement to promote any extension of consumer credit, from misrepresenting in any manner, directly or by implication, the terms of financing the purchase of a vehicle, including but not limited to the annual percentage rate, the amount of any periodic payment amount, or the availability of any advertised credit term; the sale price; or the availability of any advertised rebate.

The proposed order also prohibits the respondents, in any advertisement to promote any extension of consumer credit, from stating a rate of finance charge without stating the rate as an "annual percentage rate," using that term or the abbreviation "APR," and from failing to calculate the rate in accordance with Regulation Z.

The proposed order also requires the respondents, in any advertisement to promote any extension of consumer credit, whenever the amount or percentage of any downpayment, the number of payments or period of repayment, the amount of any payment, or the amount of any finance charge is stated, to accurately, clearly and conspicuously, state all of the terms required by Regulation Z, as follows: The amount or percentage of the downpayment, the terms of repayment, and the annual percentage rate. The proposed order also requires the respondents to state only those terms that actually are or will be arranged or offered by the creditor, in any credit advertisement.

The proposed order also requires the respondents, in any advertisement to promote any extension of consumer credit, to comply in every other respect with the TILA, as amended, and with Regulation Z, as amended.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

Donald S. Clark,

*Secretary.*

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[File No. 952-3041]

**Nationwide Syndications, Inc.; Thomas W. Karon; Analysis to Aid Public Comment**

**AGENCY:** Federal Trade Commission.

**ACTION:** Proposed consent agreement.

**SUMMARY:** In settlement of alleged violations of federal law prohibiting unfair or deceptive acts or practices and unfair methods of competition, this consent agreement, accepted subject to final Commission approval, would prohibit, among other things, the Barrington, Illinois-based company and its president from misrepresenting that its NightSafe Glasses make driving at night safer, and from using the name "NightSafe," or any other name that would imply that such a product makes night driving safe or safer. Nationwide

and Karon also agreed to pay \$125,000 in consumer redress, and to provide the Commission with the names of consumers who purchased NightSafe glasses, so the Commission may provide them with a notice that wearing NightSafe glasses while driving at night may, in fact, be unsafe. The complaint accompanying the consent agreement alleges that Nationwide and Karon made false and unsubstantiated claims regarding the benefits of NightSafe Glasses, which purportedly make night driving safer by improving night vision.

**DATES:** Comments must be received on or before April 7, 1997.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW., Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** C. Steven Baker, Federal Trade Commission, Chicago Regional Office, 55 East Monroe St., Suite 1860, Chicago, IL 60603. (312) 353-8156. Karen D. Dodge, Federal Trade Commission, Chicago Regional Office, 55 East Monroe St., Suite 1860, Chicago, IL 60603. (312) 353-8156.

**SUPPLEMENTARY INFORMATION:** Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46, and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the accompanying complaint. An electronic copy of the full text of the consent agreement package can be obtained from the Commission Actions section of the FTC Home Page (for January 24, 1997), on the World Wide Web, at "http://www.ftc.gov/os/actions/htm." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, either in person or by calling (202) 326-3627. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with § 4.9(b)(6)(ii) of the Commission's rules of practice (16 CFR 4.9(b)(6)(ii)).

Analysis of the Proposed Consent Order to Aid Public Comment

The Federal Trade Commission has accepted an agreement to a proposed