

Clear Pricing, Stronger Dealerships Navigating the FTC's Focus on Transparency

Speakers



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Agenda

Legal Perspective | Bert Rasmussen

Why the FTC Is Focused on Pricing Transparency

The Principles Behind Transparent Pricing

Advertising Vehicles, Dealer Add-Ons & Optional Products

Common Compliance Risks for Dealerships

Why Pricing Transparency Is an Operational Issue

Five Practical Takeaways for Dealers

Building a Culture of Compliance | Matthias Stoever

Why Compliance Matters

When Compliance Fails

Compliance vs. Culture

Creating a Culture of Compliance

Training That Drives Lasting Change

Why the FTC Is Focused on Pricing Transparency

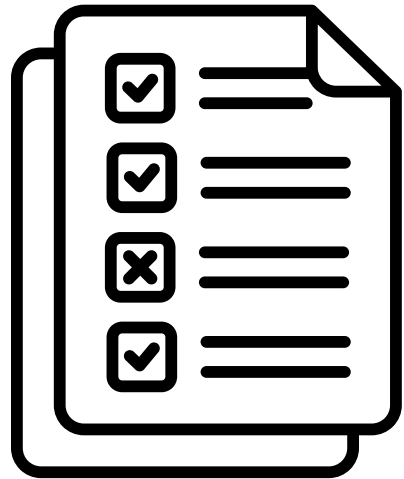
Vehicle shopping increasingly begins online

- Advertised prices drive comparison shopping
- Regulators expect those prices to be meaningful

Where the law stands today

- The FTC's CARS Rule was vacated, but Section 5 enforcement continues
- California's CARS Act adopts many of the same transparency concepts
- This presentation takes a conservative, practical approach in light of both developments

The Guiding Principle



A Simple Test

- Can the customer buy the vehicle exactly as it sits for the advertised price?
- Only taxes and governmental charges should be added



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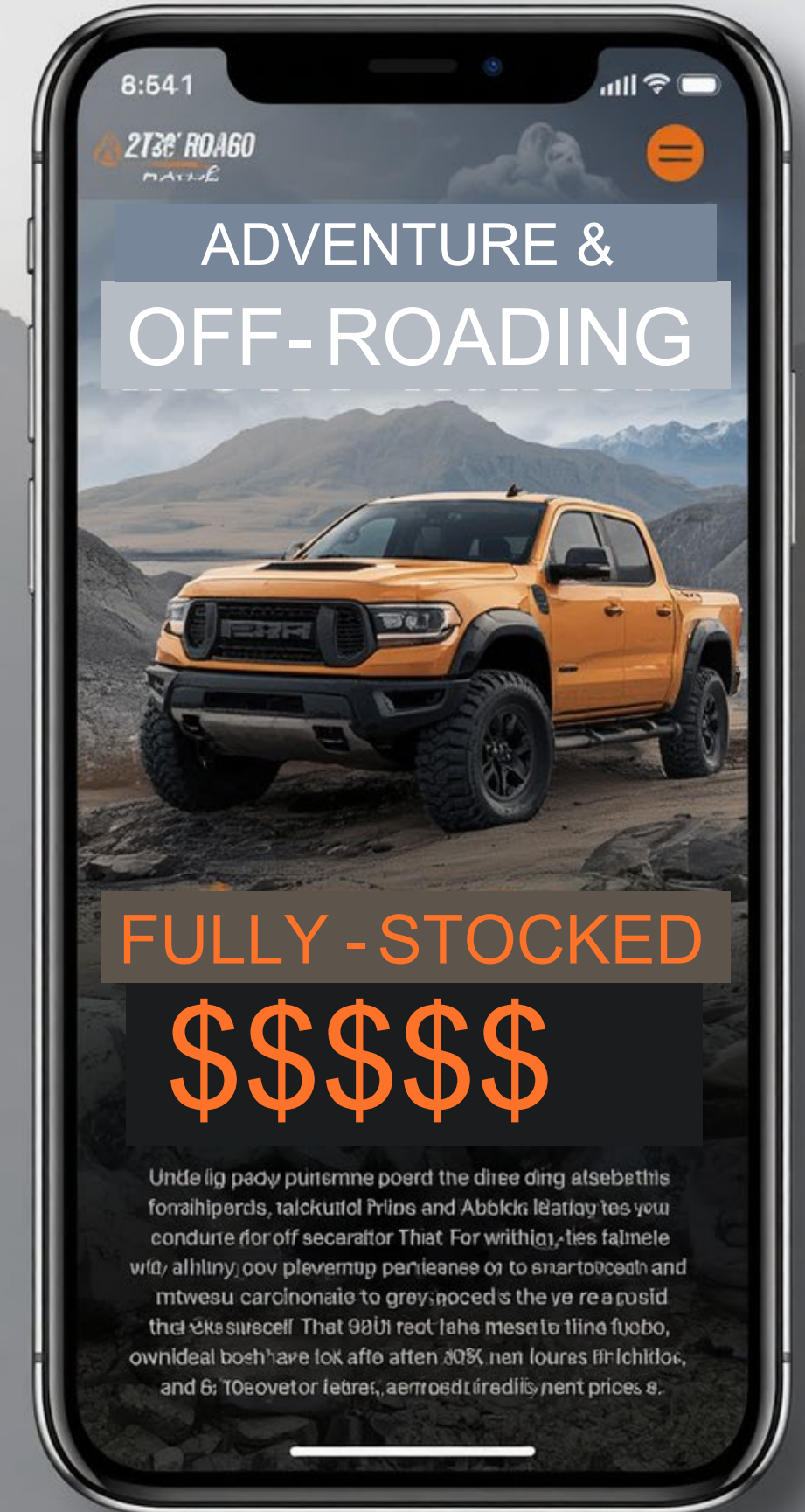
What Is the "Vehicle" Being Advertised?

The vehicle with what is already on it:

- Dealer-installed accessories
- Appearance and protection products
- Other installed equipment

The pricing question

- Is everything already on the vehicle reflected in the advertised price?
- Are later-added nongovernmental charges creating a different purchase price?



Dealer Add - Ons and Supplemental Stickers

RON'S AUTOMOTIVE	
Stock number Vin Model MSRP	
STANDARD EQUIPMENT Performance Protection Package: • Ipad Cable • Door Edge Guards • Wheel Locks • Performance Tire Rewards • Nitrogen Tire Fill • Complimentary First Service Visit • Complimentary Car Washes Dealer-Added Options	INCLUDED \$895.00
MANUFACTURER'S STD NEW VEHICLE WARRANTY	INCLUDED
DESTINATION CHARGE	INCLUDED
TOTAL PRICE	
NO ADDITIONAL DEALER MARK UP	

Dealer - Installed Equipment Is Not New

- Many dealers have long used supplemental ("addendum") stickers
- Some states expressly regulate supplemental stickers and their contents

The Key Takeaways

- If dealer-installed equipment is separately disclosed, ensure the pricing presentation remains clear and consistent
- In California, when a supplemental sticker exceeds MSRP, it must identify each dealer-added item, disclose its price, disclose MSRP, and separately identify any dealer markup. ([California Legislative Information](#))

Source: USAutoSupplies.net



Optional Products Still Have an Important Place

Transparency does not eliminate F&I products

- Valuable optional products remain appropriate
- Product sales remain an important part of dealership operations

The Distinction:

- First establish the vehicle price
- Then offer additional products through genuine customer choice

Where Dealerships Create the Greatest Risk



Common situations

- Dealer-installed products not reflected in advertised pricing
- Additional nongovernmental charges added later
- Advertising that cannot be completed at the represented price

The regulatory concern

- The advertised price is not the actual purchase price

**Pricing Transparency
Is an Operational Issue**

Every department contributes:

- Inventory
- Marketing
- Sales
- F&I

Training Is the Best Compliance Tool

Teach one principle:

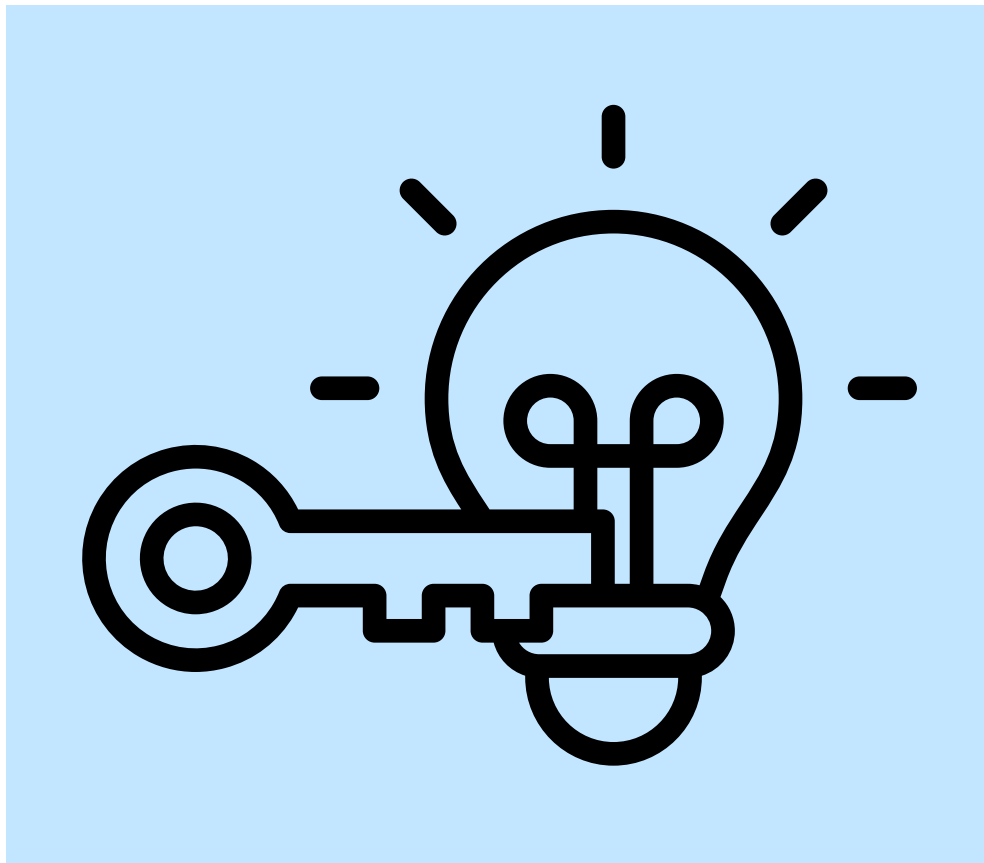
- Could the customer purchase this vehicle exactly as advertised

Reinforce through process:

- Standard pricing practices
- Management oversight
- Consistent documentation



Five Practical Takeaways



1. Can the customer buy the vehicle exactly as advertised?
2. Does the advertised price include everything already on the vehicle?
3. Are only taxes and governmental charges added?
4. Are optional products presented separately from the vehicle price?
5. Can the dealership consistently support the price it advertised?



Building a Culture of Compliance

Why compliance is a culture topic, not only a legal one, and how to build it.

SPEAKER

Matthias Stoeber · Co-Founder & CEO, RockED

The RockED App interface features a central video guide with a woman speaking. At the top, a 'Weekly Rank - #4' badge is displayed next to a notification bell icon with '8' alerts. Below the video, a 'Start Learning' button is visible. To the right of the video, a purple badge indicates '12 Video Guides'. At the bottom, a white bar shows '4.1k+ Users Completed' and a '4.7 Rating' with a star icon. The background of the app interface is a blurred office setting.

Weekly Rank - #4

8

EP. 5

Survey

EP. 3

12 Video Guides

Who Is the FTC and Why Does It Affect Dealershi...
Start Learning >

RockED App

4.1k+ Users Completed ★ 4.7 Rating

OEM EPG Immersion Experience 2026

Prisoner's Dilemma

Two suspects are arrested and interrogated separately, each deciding whether to stay silent or betray the other, without knowing what their partner will choose.

A

Both Stay Silent

1 year each. The best shared outcome — and it only works on trust.

B

You Betray

You walk free. The other serves 10 years.

C

The Other Betrays

Flip it: you stay silent, they talk — and you serve the 10 years.

D

Both Betray

5 years each. Acting in self-interest leads here — the rational trap.

What is compliance?



It is not only a legal topic.

Rules, laws, audits and disclosures set the floor. They are the minimum every organization must clear, not the goal.



It is also a culture topic.

What people do when no one is checking is the real measure of how an organization behaves.



It is built every day.

Compliance culture is shaped by the small choices employees make long before any auditor arrives.



Culture ...determines how an organization behaves.

Warren Buffett

Chairman & CEO, Berkshire Hathaway — biennial memo to managers

When Compliance Fails



Enron

A culture of deception enabled at every level of the organization.

\$7.2B paid out to creditors after the largest corporate bankruptcy in U.S. history at the time.



First Brands

Auto-parts supplier (FRAM, Raybestos, Autolite) felled by fabricated invoices and a founder-CEO with no real oversight.

\$9.3B in obligations, ~\$2.3B in missing receivables. DOJ criminal investigation underway.



Fashion Nova

FTC settlement for suppressing negative customer reviews.

\$4.2M FTC settlement for suppressing negative reviews.

WHEN CULTURE WINS

When Culture Leads Compliance



Costco

Frequently recognized as one of the world's most ethical companies.



Apple

100% annual employee Business Conduct training.

Johnson & Johnson

Johnson & Johnson

Guided by its Credo since 1943, one of the longest-standing corporate ethics frameworks.

How to Drive a Culture of Compliance

1

Leadership Sets the Tone

Leaders model ethical behavior in words and actions, reinforced consistently by managers at every level.

2

Make It Safe to Speak Up

Trusted, confidential ways to raise concerns, where questions are encouraged and retaliation is never tolerated.

3

Reinforce Through Everyday Training

Move beyond annual training to ongoing, role-specific learning that makes compliance part of everyday decisions.

4

Align Accountability and Recognition

Hold everyone accountable regardless of position and recognize the ethical behaviors you want repeated.

Supporting a Culture of Compliance

As FTC expectations continue to evolve, ongoing education helps reinforce the habits and behaviors that build a culture of compliance.

RockED's *FTC Pricing Enforcement: A Dealer Information Series* gives dealership teams concise, practical learning designed to help them:

01

Understand evolving FTC pricing expectations

Stay current with the FTC's shifting pricing standards across the entire customer journey.

02

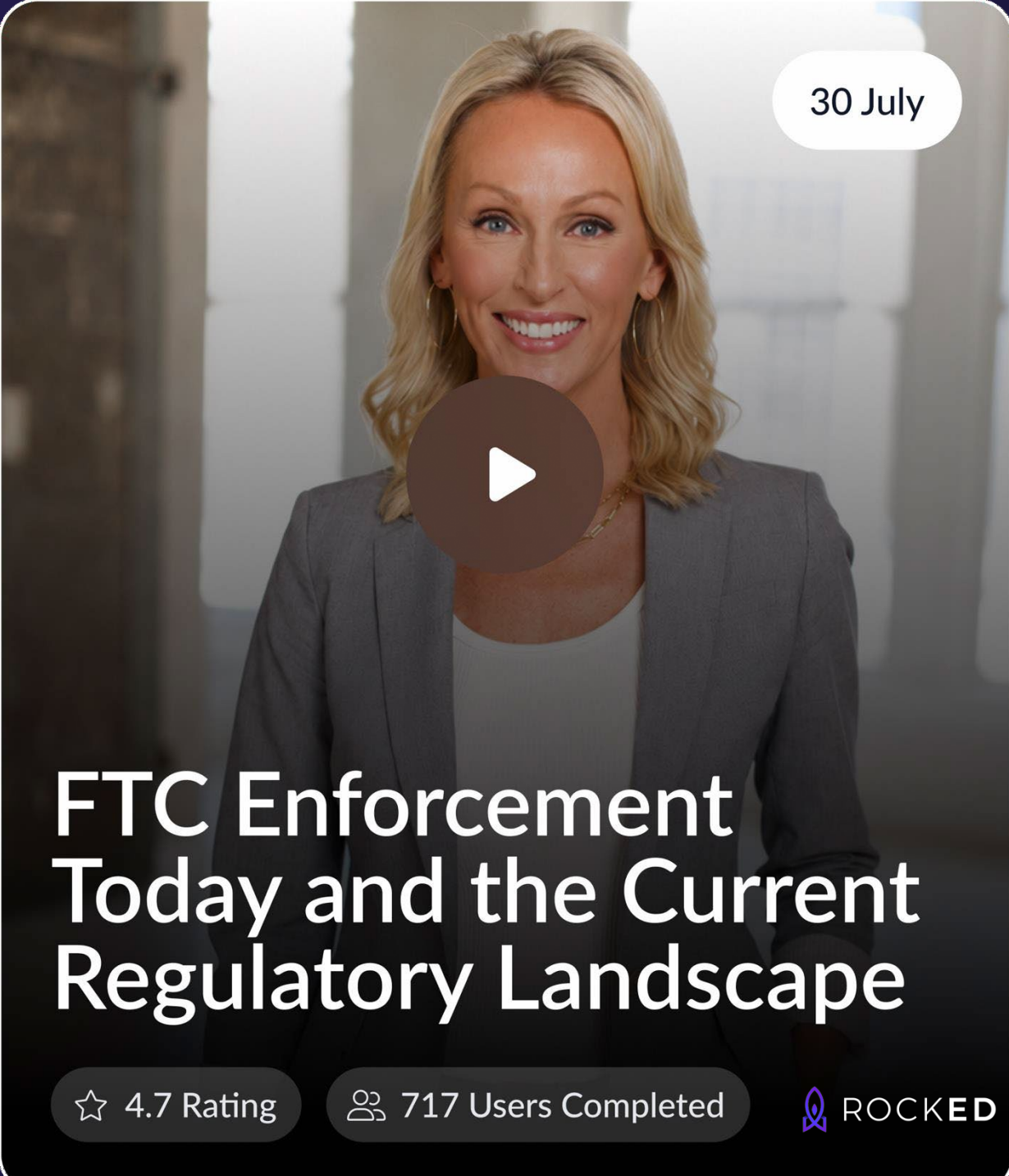
Reinforce transparency and ethical interactions

Make honest, consistent customer conversations part of everyday behavior.

03

Keep compliance top of mind through learning

Turn one-time training into continuous learning that sticks with the team.



30 July

FTC Enforcement Today and the Current Regulatory Landscape

☆ 4.7 Rating 👤 717 Users Completed 

THANK YOU!

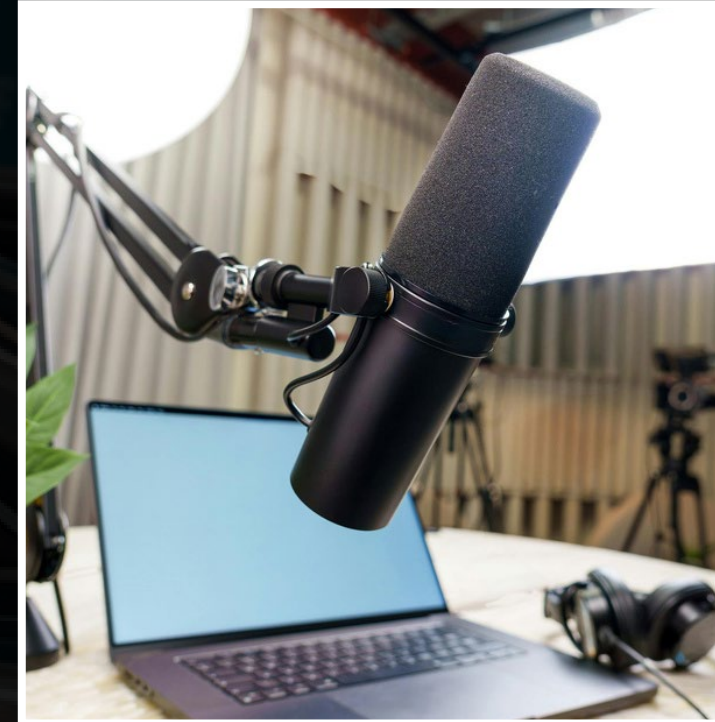
Let's continue the conversation



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