



Colorado Automobile Dealers Association

*** * * IMPORTANT DEALER ALERT * * ***
GM Employee Discount Program: D&H Fees

TO: CADA Members – GM Dealerships
FROM: Tim Jackson
RE: GM Employee Discount for Everyone Program: D&H fee implications
DATE: Friday, August 22, 2008

Various aspects of the GM Employee Discount Program have come to our attention. Most importantly, if you are participating in the GM program, you need to be aware that the “supplemental window stickers” GM is requesting you to use would be considered an “Advertisement” under Colorado law. This is to remind you of the following restrictions in Colorado regarding such “advertisements”:

1. An “advertisement” is defined very broadly and includes window stickers:

C.R.S. (Colorado Revised Statutes) 12-6-102(1.5). Means any commercial message in any newspaper, magazine, leaflet, flyer, or catalog, on radio, televisions or public address system, in direct mail literature or other printed material, on any interior or exterior sign or display, **in any window display**, on a computer display, or in any point-of-transaction literature or price tag that is delivered or made available to a customer or prospective customer in any manner whatsoever: *except that such term does not include materials required to be displayed by federal or state law.*

2. Note also the following:

- The same car cannot be advertised in different places (on the Internet, in print, window sticker, etc.) at **different prices**
- An advertisement for a particular car must have a **stock number**.

Rule 3. Advertising a specific motor vehicle for sale or lease with price or terms quoted, without fully identifying the vehicle as to year, make, model and dealer stock number. Such vehicle shall be willfully shown and sold at the advertised price and/or terms while such vehicle remains unsold or unleased, for a period of five days following the last date the ad was published, unless the ad states that the advertised price and terms are good only for a specific time and such time has elapsed. If a specific number of motor vehicles is advertised, such vehicles MUST have been invoiced to the dealer.

3. Regarding D&H Fees – CADA continues to advise dealerships who charge D&H do so **uniformly**.

- D&H must be included in an advertised price (so, you would need to re-reprint the GM Supplemental stickers in order to include this fee):

Rule 13. Advertising the price of a vehicle without including all costs to the purchaser at the time of delivery, except sales tax, finance charges, cost of emissions test, and transportation costs, incurred after sale, to deliver the vehicle to the purchaser at the purchaser's request.

➔ CADA IS WORKING AS QUICKLY AS POSSIBLE TO OBTAIN A CLEAR RULING FROM GM THAT THIS STANDARD PRACTICE IS ALLOWABLE UNDER THE PROGRAM RULES.

If you have questions or need further information, please contact CADA:

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