

IMPACT

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Website disclaimers and all-in advertised pricing

Does your automotive business have a website with a “disclaimer” at the bottom? **Ensure the disclaimer statement aligns with all-in advertised pricing legislation as set out in Section 11(2)(l) of the [Automotive Business Regulation \(ABR\)](#).** The ABR, Section 11(2)(l) states that businesses must include “[...] in the advertised price for any vehicle the total cost of the vehicle, including, but not limited to, all fees and charges such as the cost of accessories, optional equipment physically attached to the vehicle, transportation charges and any applicable taxes or administration fees, but not including GST or costs and charges associated with financing.”

Stating in a disclaimer that prices listed do not include items such as licensing fees, transportation fees or administration fees does not exempt automotive businesses from following all-in advertised pricing legislation. In accordance with the ABR, Section 11(2)(n), an automotive business must ensure advertisements do not use false, misleading or deceptive statements.

Businesses using disclaimers should only use “descriptions and makes promises only in accordance with actual conditions, situations and circumstances,” as per ABR Section 11(2)(d). For example, if a business uses a photo showing a roof rack attached to a vehicle in their website advertisement, but then uses a disclaimer saying, “vehicles may not be correct as shown” in order to add extra costs on top of the all-in advertised price for the roof rack, because a roof rack was in reality not part of the vehicle, this would be contrary to ABR Sections 11(2)(d) and 11(2)(l).

The Director of Fair Trading (as delegated) recently issued an Administrative Penalty that states: “Misleading consumers to believe the Supplier can tell them the advertised price is not the price of the vehicle, and added fees that do not fall within Section 11(2)(l) of the ABR can potentially put consumers into a transaction where they are paying over the advertised price because they do not understand the legislative requirements the Supplier must adhere to, and have been misled to believe the Supplier can and does do this in their transactions with consumers based on their advertising.” **While the Director agrees it is important that consumers understand the paperwork in relation to their transaction, explaining the extra fees to the consumer does not make it okay; it is a requirement of the Supplier to ensure they are adhering to the legislation.**

Remember, **your automotive business is responsible and accountable for advertisements** that are published for the purposes of their business activities as per Section 166 of the *Consumer Protection Act*. Business advertising resources can be found in AMVIC’s [advertising toolbox page](#) on [amvic.org](#).

Working with NAIT to educate young consumers

AMVIC strives to build a fair marketplace for both consumers and automotive businesses. One of the key ways this is achieved is through education and awareness. As such, AMVIC is always looking for new opportunities to inform consumers of their rights while educating industry on regulatory compliance and consumer protection laws as set out by Alberta's *Consumer Protection Act*.

High school and post-secondary students make up a large group of consumers who may be unaware of their rights when it comes to buying or repairing a vehicle. They also may be pursuing careers in automotive service or repair, where they would be required to know and follow the applicable laws.

For these reasons, AMVIC has started working closely with NAIT to explore opportunities to educate students on their consumer rights and the laws that would apply to them if they worked in automotive service or repair. On Sept. 24, 2024, AMVIC attended NAIT's [NEXT in Trades event](#) where skilled trades were highlighted as career paths for high school students. At the event, AMVIC hosted a booth and spoke to nearly 175 high school students, teachers and NAIT students about their consumer rights.

Overall, the event was a success with plenty of positive interactions and meaningful conversations. AMVIC looks forward to furthering our relationship with NAIT at future events; connecting with more students and young consumers.



NEXT in Trades event at NAIT (Sept. 24, 2024)

Top three industry bulletins for 2024

According to AMVIC's newsletter analytics, the top three most read industry bulletins for 2024 were on the topics of maintaining technician records, AMVIC's 2023 - 2024 annual report and proper licensing for RV businesses.

In case you missed those bulletins, here are links to each one:

- [Service and repair: maintaining technician records](#)
- [AMVIC 2023 - 2024 annual report](#)
- [RV businesses: are you licensed for the correct activities?](#)

Q2 Administrative review enforcement actions: July 1, 2024 – Sept. 30, 2024

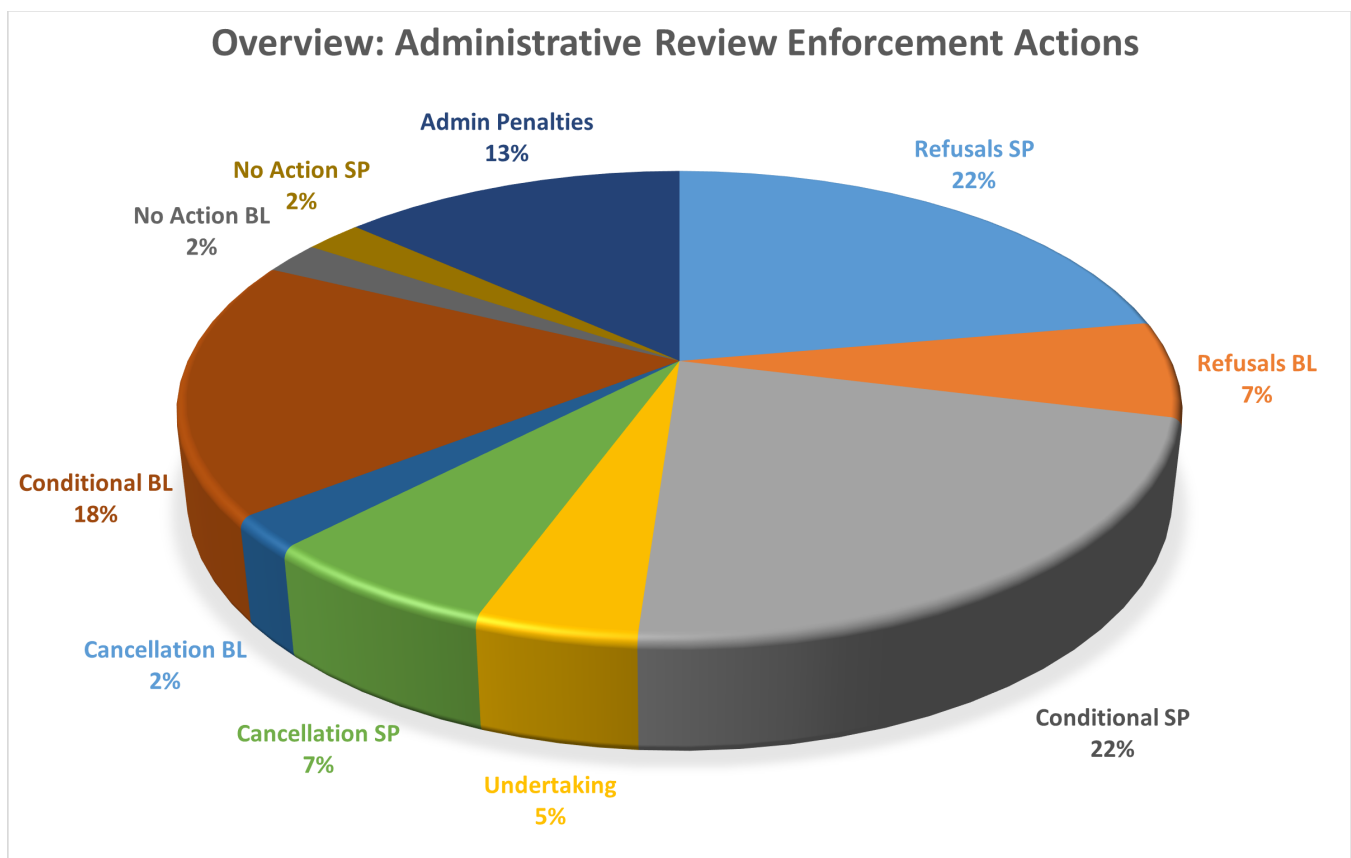
As the regulator of Alberta's automotive industry, AMVIC makes public, on its website (as per the *Consumer Protection Act* (CPA) Section 157.1 (1) and (3)), information that is related to breaches of legislation.

A record of Undertakings, Director's Orders, court orders, Administrative Penalties and any other prescribed document or information (collectively known as administrative enforcement) is available on [amvic.org](https://www.amvic.org).

Administrative review outcomes may include:

- no further action,
- conditions added to licence or licence cancellation or suspension,
- Administrative Penalty,
- Director's Order, or
- Undertaking.

The chart below highlights the administrative enforcement actions for Q2 of 2024 – 2025:



Legend

BL = Business licence

SP = Salesperson

Holiday advertisements

Boxing Day is coming up fast and you may have holiday specials or incentives to offer. Are you making sure your advertisements comply with legislation?

The Automotive Business Regulation Section 11(2)(n) states a business operator **cannot use false, misleading or deceptive statements in advertisements.**



Here are some examples:

- The advertisement states “never been in an accident,” but it has been, so the statement in the advertisement is false.
- The advertisement states “two per cent interest rate,” but does not mention that it only applies to the first year of payments, so the statement in the advertisement is misleading.
- The advertisement states “test drive a new model,” but the business knows it will not have any new models in stock, so the statement in the advertisement is deceptive.

The all-in advertised price should not include incentives that are not available to **every** consumer, such as a membership card incentive. In an advertisement, state the all-in price first, then state prices after certain incentives, but not all incentives together if they do not apply to every customer. Then, fully disclose who qualifies for each incentive and how it is applied to the price.

Remember, Section 6(4)(o) of the *Consumer Protection Act* states it is an unfair practice if “a supplier’s representation that a specific price benefit or advantage exists if it does not.”

You can find more information on compliant advertising practices on [amvic.org](https://www.amvic.org).



Did you know?

AMVIC will be running an advertising campaign from Jan. 6 – March 30, 2025 to raise awareness of all-in advertised pricing. See the [advertising toolkit](#) on AMVIC’s website to learn more about the advertising rules for automotive businesses as set out by Alberta’s Automotive Business Regulation.

AMVIC by the numbers 2024 - 2025*

27 Charges laid against 14 businesses and individuals	9 Administrative Penalties	5 Director's Orders	3 Undertakings
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*Statistics are for Q1 and Q2 of the 2024 - 2025 fiscal year (April 1, 2024 – Sept. 30, 2024).



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