



Buyers Up • Congress Watch • Critical Mass • Global Trade Watch • Health Research Group • Litigation Group
Joan Claybrook, President

May 27, 2004

Mary Clement, Director
Division of Consumer Affairs
Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, TN 37243-0600

Dear Director Clement,

In December of 2003, Public Citizen released a report *Rip-Off Nation: Auto Dealers' Swindling of America*, in which we provided a blueprint of the manner in which fraud can be perpetrated upon millions of American vehicle purchasers every year. We also sent a copy of this report to your office to facilitate better law enforcement of these many deceptions.

Alongside our report, we launched a consumer survey on our Web site at www.autodealerscam.org, through which we have been collecting information to share with law enforcement agencies about problems consumers face in your state. We are now sending an installment of this survey information to the five states with the largest consumer response - Florida (1st with 90 complaints), California (2nd with 52), Texas (3rd with 42), Tennessee (4th with 22) and Georgia (5th with 20).

Twenty-two consumers who live in Tennessee or who purchased vehicles in the state have given us permission to share this information with your office. Their survey responses are enclosed, prefaced by a brief fact sheet summarizing their experiences and quoting from their complaints.

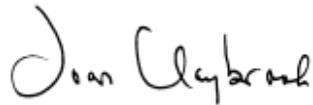
I am also enclosing a fact sheet analyzing the 700 plus responses we received from consumers across the U.S., a list of complaints by state, and an additional copy of *Rip-Off Nation*.

With dealership scandals arising throughout the country, now is the perfect opportunity for your office to lead an investigation into dealership business practices that are unfriendly for consumers and sometimes even illegal. We ask you to do so, to investigate the additional complaints that may have already been filed with your agency and to fully enforce consumer protection laws in these cases.

We also urge you to conduct an assessment of whether your state's consumer laws provide adequate protection for auto purchasers and to support improvements where needed in the statutes. Furthermore, we would encourage your office to collaborate with other state agencies, such as the Department of Motor Vehicles, and with other consumer protection or attorney general's offices around the country, to stem dealership fraud.

We offer any help that we can provide, and look forward to working with you on this important clean-up of an industry that has victimized consumers for far too long. For inquiries on this issue, please contact Laura MacCleery, Public Citizen's Counsel for Auto Safety and Regulatory Affairs, at (202) 588-7755.

Sincerely,

A handwritten signature in black ink that reads "Joan Claybrook". The signature is written in a cursive, flowing style.

Joan Claybrook, President
Public Citizen