

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Deborah Platt Majoras, Chairman**
 Pamela Jones Harbour
 Jon Leibowitz
 William E. Kovacic
 J. Thomas Rosch

<p>In the Matter of</p> <p>BUDGET RENT-A-CAR SYSTEM, INC.,</p> <p>a corporation.</p>

DOCKET NO. C-4212

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of Budget Rent-A-Car System, Inc. (hereinafter referred to as “Respondent”), and Respondent having been furnished thereafter with a copy of the draft of Complaint which the Western Region proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondent with violations of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order (“Consent Agreement”), containing an admission by the Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the Respondent has violated the said Act, and that Complaint should issue stating its charges in that respect, and having thereupon accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of comments, now in further conformity with the procedure prescribed in Commission Rule 2.34, 16 C.F.R. § 2.34, the Commission hereby makes the following jurisdictional findings and issues the following Order:

1. Respondent Budget Rent-A-Car System, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 6 Sylvan Way, Parsippany, New Jersey

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the Respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

For purposes of this order, the following definitions shall apply:

1. Unless otherwise specified, “Respondent” shall mean Budget Rent-A-Car System, Inc., a corporation, its successors and assigns, and its officers, agents, representatives, and employees.
2. “Clearly and conspicuously” shall mean as follows:
 - a. In an advertisement communicated through an electronic medium (such as television, video, radio, and interactive media such as the Internet and online services), the disclosure shall be presented simultaneously in both the audio and visual portions of the advertisement. Provided, however, that in any advertisement presented solely through visual or audio means, the disclosure may be made through the same means in which the ad is presented. The audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. The visual disclosure shall be of a size and shade, and shall appear on the screen for a duration, sufficient for an ordinary consumer to read and comprehend it.
 - b. In a print advertisement, promotional material (including, but not limited to counter signs), or instructional manual, the disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background against which it appears.

The disclosure shall be in understandable language and syntax. Nothing contrary to, inconsistent with, or in mitigation of the disclosure shall be used in any advertisement or promotional material.

3. “Commerce” shall mean commerce as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

4. “Fuel-related charge, fee, or cost” shall mean any charge, fee, or cost imposed by Respondent on consumers in connection with the use of fuel or gasoline.
5. “Fuel-related option” shall mean any option, program, or alternative offered by Respondent in connection with how consumers will pay for fuel or gasoline or the method by which Respondent will calculate fuel-related charges, fees, or costs.
6. “Renter” shall mean any person in any manner obligated under a contract for the lease or hire of a passenger vehicle from Respondent for a period of less than 30 days.
7. “At the time of rental transaction” shall mean the time after which a renter arrives at the location from which the vehicle will be rented but before the renter signs the rental contract.

I.

IT IS ORDERED that Respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for rent, or renting of any vehicle, shall not misrepresent, in any manner, expressly or by implication:

- A. that renters who return their vehicle with a full gas tank will not incur any fuel-related charges;
- B. any fuel-related charge, fee, or cost, or related requirement; or
- C. any charge, fee, or cost, or material term or condition, relating to the rental of any vehicle.

II.

IT IS FURTHER ORDERED that Respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for rent, or renting of any vehicle, shall disclose clearly and conspicuously, at the time of rental transaction,

- A. any fuel-related charges, fees, or costs, including any fuel-related charges, fees, or costs which a renter who drives the vehicle less than any specified amount may incur;
- B. any requirements related to fuel-related charges, fees, or costs, including any fuel-related requirements which a renter who drives the vehicle less than any specified amount may need to satisfy; and

- C. the manner, if any, in which a renter can avoid such fuel-related charges, fees, or costs, or related requirements.

III.

IT IS FURTHER ORDERED that Respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for rent, or renting of any vehicle, shall not make, expressly or by implication, any representation about the benefits, costs, or parameters of any fuel-related option, unless it discloses clearly and conspicuously, and in close proximity to the representation, all material terms and conditions relating to that fuel option.

IV.

IT IS FURTHER ORDERED that Respondent Budget Rent-A-Car System, Inc. and its successors and assigns, for five (5) years after the last date of dissemination of any representation covered by this order, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation; and
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in its possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

V.

IT IS FURTHER ORDERED that Respondent Budget Rent-A-Car System, Inc. and its successors and assigns, for a period of three (3) years, shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondent shall deliver this order to current personnel within forty-five (45) days after the date of service of this order, and to future personnel within forty-five (45) days after the person assumes such position or responsibilities.

VI.

IT IS FURTHER ORDERED that Respondent Budget Rent-A-Car System, Inc. and its successors and assigns shall notify the Commission at least thirty (30) days prior to any change in the corporation(s) that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. *Provided, however*, that, with respect to any proposed change in the corporation about which Respondent learns less than thirty (30) days prior to the date such action is to take place, Respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

VII.

IT IS FURTHER ORDERED that Respondent Budget Rent-A-Car System, Inc. and its successors and assigns shall, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this order.

VIII.

This order will terminate on January 2, 2028, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; *provided, however*, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this order that terminates in less than twenty (20) years;
- B. This order's application to any Respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the Respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

By the Commission.

Donald S. Clark
Secretary

ISSUED: January 2, 2008