COMMON SENSE COMPLIANCE WITH EFG COMPANIES

WHITE PAPER

COMPLIANCE THAT PAYS

How Dealers Can Turn Transparency, Training, and Accountability into a Profit Protection Strategy

> **Compliance should not be an obstacle to success. It should be a repeatable, teachable, measurable process that helps the dealership protect profit, strengthen customer trust, and compete with confidence.**

Prepared for retail automotive and powersports dealer principals, GMs, compliance leaders, and F&I executives

SECTION 01

Executive Summary

Compliance is no longer only a defensive function. For retail automotive and powersports dealerships, compliance has become a direct reflection of leadership discipline, customer experience, and operational consistency. Compliance should not be treated as an obstacle or a box to check, but as a growth strategy that reinforces culture, differentiates the dealership, and helps reduce costly errors. Recent federal activity has made this point difficult to ignore.

In March 2026, the Federal Trade Commission issued warning letters to 97 auto dealership groups nationwide, covering more than 200 individual dealership locations. The letters were tied to concerns about pricing transparency and misleading advertising, and while the dealers were not fined, they served as a formal warning that further enforcement could follow if deceptive practices continue.

The lesson for dealers is not simply, "avoid getting a letter." The larger message is that pricing, disclosures, digital retailing, third-party advertising, customer complaints, documentation, and employee training are now connected parts of the same compliance ecosystem. Dealers cannot assume they are protected because they have not been named. They also cannot outsource accountability to vendors, OEMs, marketing platforms, or individual employees.

The opportunity is equally clear. Dealers that build compliance into daily operations can strengthen customer confidence and trust, reduce friction in the buying process, improve consistency across all teams, and better protect their profitability. Transparency should not be viewed as a competitive weakness. Done well, it becomes a competitive advantage.

> **TAKEAWAY**
>
> **The strongest dealerships will treat compliance as a profit-protection strategy: one price, one process, one compliance standard, reinforced by training, documentation, audits, and culture.**

The Compliance Environment Has Shifted

For years, many dealerships viewed compliance as an F&I issue. That view is now too narrow.

Compliance risk can begin before a customer ever enters the showroom. It can start with an online listing, a third-party pricing feed, a BDC phone quote, a social media comment, a customer complaint, or a mismatch between what was advertised and what was presented in-store. Compliance now touches the website, all dealership departments, advertising, documentation, and dealership culture.

This broader risk environment requires dealers to manage their full digital footprint. Pricing, disclosures, comments, complaints, inventory feeds, and third-party marketplace listings all contribute to the customer's expectation of what the transaction should look like. If that expectation changes when the customer arrives at the dealership, the gap can lead to frustration, complaints, and regulatory scrutiny.

That is why compliance can no longer live only in policy binders or annual training modules. It must become part of the dealership's operating system.

Customer Communication

- Online Listing
- 3rd Party Pricing
- Phone Quote
- Online/Onsite Mismatch
- Social Media Post

Digital Footprint

- Pricing
- 3rd Party Marketplace
- Comments
- Complaints
- Disclosures
- Inventory Feeds

SECTION 03

The 97-Letter Moment: A Warning to Every Dealer

97	200+
AUTO DEALERSHIP GROUPS NATIONWIDE	INDIVIDUAL DEALERSHIP LOCATIONS

The FTC warning letters weren't just a wake-up call for the dealers who received them. They were a signal to the entire retail automotive industry that enforcement is active, visible, and expanding.

The most important message was, "didn't get a letter" does not mean "in the clear." Dealers that continue questionable practices after the industry has been put on notice may find those practices more difficult to defend.

The most practical takeaway is that dealers should evaluate whether their online pricing, in-store pricing, phone quotes, required fees, addendums, rebates, discounts, and disclosures are aligned. If the advertised price is not what a customer reasonably expects to pay, the dealership may be creating risk before the customer even walks in.

This does not mean compliance has to slow the sales process. In fact, clear pricing and consistent customer communication can actually reduce friction and save time. When customers know what to expect, sales teams spend less time explaining price discrepancies and more time building trust.

SECTION 04

Consumer Complaints Are Compliance Signals

One of the clearest messages from the recent EFG podcast with Anthony Olivieri, EFG's Director of Training Services, and Shannon Robertson, Executive Director of AFIP, is that consumer complaints are a major source of government action. Complaints can drive onsite audits and attorney general outreach, and they regularly stem from inconsistencies between online pricing, onsite pricing, and what is communicated over the phone.

That makes complaint management more than a customer service function. It is a compliance early-warning system. A complaint about price, fees, availability, add-ons, disclosures, or inconsistent communication should not be treated as an isolated issue until patterns are ruled out. Dealership leaders should ask whether the complaint reveals a process gap, a training issue, a vendor-feed problem, a documentation weakness, or a culture problem.

Dealers should also monitor complaints across their full digital footprint. EFG's July compliance blog specifically notes that dealers who fail to consistently monitor all pricing sites and posted complaints put themselves at risk.

TAKEAWAY

The goal is not simply to respond to complaints quickly. The goal is to identify root causes before a customer issue becomes a regulatory issue.

SECTION 05

Online-to-Onsite Pricing Consistency Is the New Front Line

The EFG/AFIP podcast also identifies one of the biggest questions from the FTC standpoint. Is the online price all-inclusive of what the customer would pay when they walked into the store? That question should become a practical test for every dealership:

- **Does the website price match what the customer hears from the BDC?**
- **Are required fees and dealer addendums clearly disclosed?**
- **Is the customer given the same pricing expectation online, over the phone, and in-store?**
- **Does the third-party listing match the dealership's own site?**
- **Are rebates and discounts available to all consumers, or are conditions clearly explained?**

TAKEAWAY

The operating standard should be: One price, One process, One compliance expectation. Compliance should not depend on who answers the phone.

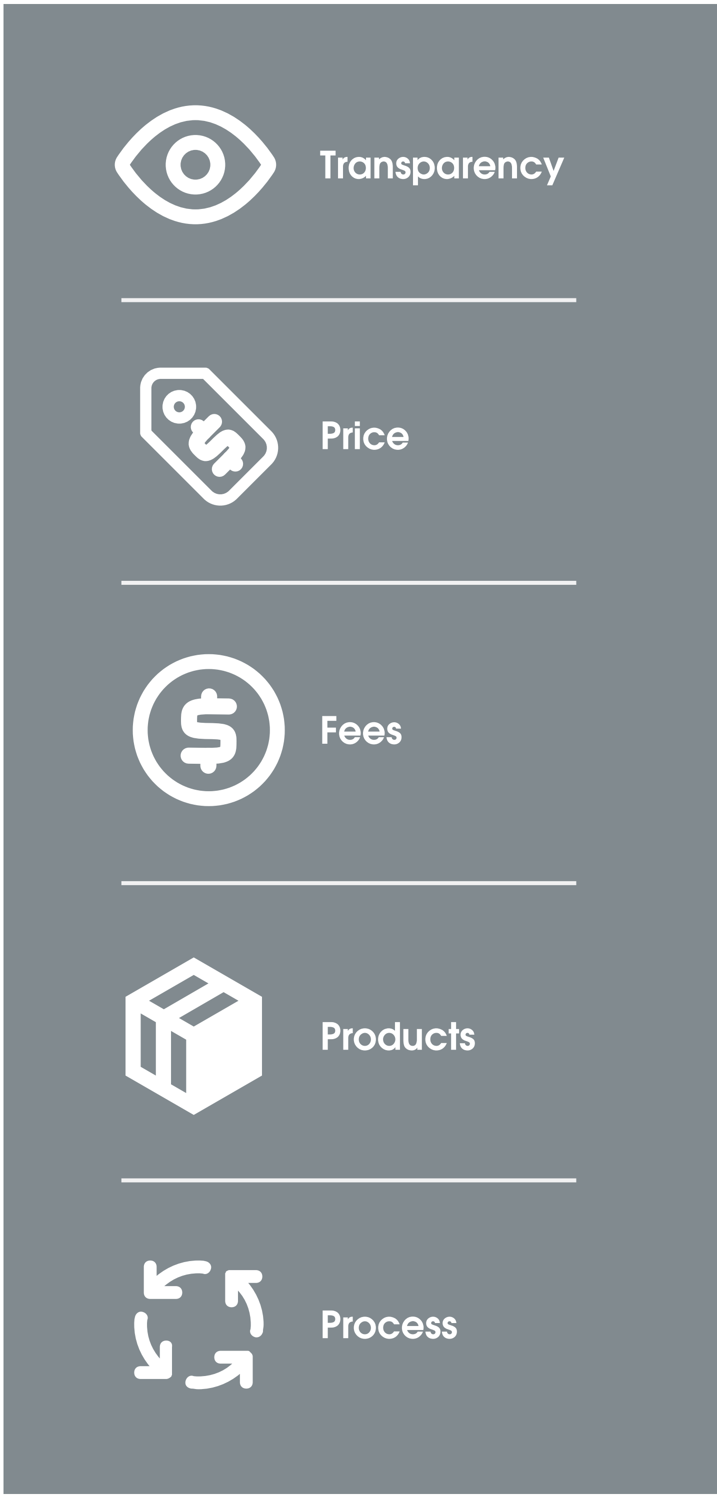
SECTION 06

Transparency Is a Competitive Advantage

Dealers sometimes worry that transparent pricing will make them less competitive. EFG's July blog addresses that mindset directly, noting the outdated belief that posting actual prices, addendums, and disclosures online allows competitors to undercut the deal. That behavior is not only potentially deceptive, but also creates false competition in the market.

The more productive view is that transparency builds trust. A customer who understands the price, fees, products, and process is less likely to feel surprised or misled. Transparency can reduce friction, accelerate purchasing decisions, and create preference for the trustworthy dealership.

This is where compliance becomes profit protection. Dealers are not simply avoiding fines. They are improving the buying experience, reducing avoidable conflict, protecting reputation, and creating conditions for stronger retention and referral business.



SECTION 07

Vendor Accountability Does Not Remove Dealer Accountability

Third-party vendors, OEM programs, pricing tools, social media platforms, and inventory marketplaces can influence how a dealership presents information to customers. But they do not remove the dealer's responsibility.

EFG's July blog reaffirms that compliance cannot be outsourced. While vendors and OEMs influence advertising and pricing strategy, the dealer ultimately approves every message. But dealers must also hold their providers accountable for delivering accurate, strategic counsel. Dealerships should not have to interpret enforcement risk alone.

This creates a practical leadership question: Is your provider simply supplying products, or helping you identify risk before it becomes a problem?

THE PARTNER TEST

	ASK YOUR CURRENT PROVIDER	WHY IT MATTERS
?	**Are they helping you review online-to-onsite pricing consistency?**	*Pricing gaps can create customer complaints and scrutiny.*
?	**Are they helping train BDC, sales, and F&I on compliant word tracks?**	*Compliance should not depend on who answers the phone.*
?	**Are they helping document processes before there is a problem?**	*Documentation helps demonstrate consistent, defensible action.*
?	**Are they helping you prepare for complaint-driven scrutiny?**	*Complaints can act as early-warning indicators.*
?	**Are they acting like a vendor — or a compliance partner?**	*Dealers need proactive guidance, not just products.*

SECTION 08

Policy Without Culture Is Just Paper

Written policies are necessary, but they are not enough.

EFG's podcast makes this point clear. Dealers need written compliance guidelines, documented training, and audits, but policy adoption depends on culture. Employees must be taught, trained, and audited to the policy, and leadership must reinforce the expectations from the top down.

In other words, a dealership cannot simply create a policy and assume the job is done. Employees need to understand how compliance manifests in daily interactions.

- **How to quote a price over the phone**
- **How to explain required fees**
- **How to respond to questions about addendums**
- **How to document customer decisions**
- **How to escalate complaints**
- **How to align digital promises with in-store execution**

TAKEAWAY

Compliance culture protects more than processes. It protects reputation.

SECTION 09

Common Sense Compliance®: Turning Confusion into Action

EFG's Common Sense Compliance® delivers a practical, dealer-focused platform built to turn confusion into process, training, documentation, and defensible action. Core support areas:

- Initial health checks and risk assessment
- Process documentation
- F&I deal compliance audits
- Specialized AFIP certification training

EFG arms dealers with resources, classroom and online compliance training, and expert advice that addresses specific needs. Common Sense Compliance® is an actionable program designed to help maximize client profitability while increasing compliance standards across the dealership.

TAKEAWAY

In simple terms, compliance is not simply about avoiding audits or fines. It is about equipping people, improving processes, and protecting profitability.

SECTION 10

Action Plan: Make Compliance Work for the Dealership

Dealers do not need to wait for a warning letter, complaint, or audit to start strengthening their compliance posture. A practical dealership action plan should include:

1

Audit the digital footprint monthly

Review dealership websites, third-party listings, digital ads, required disclosures, pricing language, and inventory availability to validate alignment with in-store reality.

2

Standardize pricing communication

Train BDC, sales, internet, and F&I teams on how to quote prices consistently, especially when customers ask for online price, out-the-door price, required fees, rebates, addendums, taxes, title, license, and government fees.

3

Document approvals and claims

Maintain a documented approval process for advertising, pricing, and disclosures. Ensure claims are substantiated and that listings match in-store reality.

4

Treat complaints as compliance intelligence

Monitor complaints across CRM, online reviews, social channels, third-party sites, and direct customer communications. Look for recurring patterns and root causes.

5

Build culture from the top down

Make compliance part of daily operations. Written policies should be supported by ongoing training, audits, leadership reinforcement, and clear expectations.

SECTION 11

Conclusion

The compliance conversation has changed. Dealers are no longer deciding whether compliance matters. They are deciding whether they will treat it as a cost center, a defensive checklist, or a disciplined business strategy.

Compliance can become a source of operational strength. Dealers that align pricing, train teams, document processes, manage complaints, and hold vendors accountable are better positioned to protect reputation, reduce friction, improve customer trust, and sustain profitability.

EFG's Common Sense Compliance® provides dealers with a practical path forward through clear information, health checks, risk assessment, documentation, training, LMS reporting, compliance audits, and AFIP certification support.

TAKEAWAY

Turn compliance into a profit strategy. Talk with EFG about Common Sense Compliance®, AFIP training, and practical dealership support designed to help your team move from uncertainty to action.

Do it all from our website:

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