



## Minnesota Automotive Advertising

### 3-Strikes Progression

**November 2024**

The Program Overview and FAQ describe the process that Lathrop GPM will use to respond to complaints about violations of the Advertising Standards.

If Lathrop determines that a violation has occurred, the dealer will be asked to discontinue or modify the ad according to the following schedule adopted by the Steering Committee:

Medium	Days if Discontinuing	Days if Modifying
Print	2	3
Web Banner Ads	2	3
Electronic Signage	2	3
Radio / TV	2	3
Website Formatting / Inventory listings	2	3
Poster Billboards	5	10
Electronic Billboards	2	3

The Program contemplates that dealers will abide by the Standards and that ads will be changed or discontinued in the scheduled amount of time. Lathrop will carefully communicate with the subject dealer to ensure that there are no surprises.

If a dealer does not change or modify an offending ad, the Steering Committee has authorized Lathrop to initiate a 3-Strikes progression to obtain compliance.

**1<sup>st</sup> Strike:** Lathrop will send a 1<sup>st</sup> Strike letter by first class mail addressed to the principal contact shown in MADA or GMADA records if it determines the dealer who is the subject of a complaint:

- Ignored contacts from Lathrop or failed to respond in a timely or forthright manner
- Commits to modifying or discontinuing an ad but then doesn't follow through
- Repeatedly violates the same or similar Standard

**2<sup>nd</sup> Strike:** Lathrop will send a 2<sup>nd</sup> Strike letter by certified mail addressed to the principal contact shown in MADA or GMADA records if it determines that the dealer who is the subject of a complaint fails to discontinue or modify the ad within the timeframes specified in the 1<sup>st</sup> Strike letter

The 2<sup>nd</sup> Strike letter will describe possible consequences of non-compliance. The dealership's name and outstanding issue will be shared with MADA, who will in turn notify the members of the Steering Committee. The Steering Committee members may provide feedback to MADA and Lathrop.

**3<sup>rd</sup> Strike:** If the dealership fails to discontinue or modify their advertisement within the time periods set out in the 2<sup>nd</sup> Strike letter, Lathrop will propose issuing a 3<sup>rd</sup> Strike. A 3<sup>rd</sup> Strike letter will not be issued until the offending dealership is given an opportunity to make its case to the Steering Committee.

If a 3<sup>rd</sup> Strike is issued the following will occur:

- Lathrop will notify the Minnesota Attorney General of the violation seeking enforcement under Minnesota law.
- MADA will issue a press release.
- MADA will include the release and spotlight the non-complying dealership in the MADA newsletter. MADA may also choose to communicate the 3<sup>rd</sup> Strike to the dealer community in other ways.