

August 12, 2020

ATTORNEY GENERAL RAOUL FILES LAWSUIT AGAINST CAR DEALER FOR DECEPTIVE ADVERTISING PRACTICES

Chicago — Attorney General Kwame Raoul filed a lawsuit against Skokie Motor Sales, Inc. operating as Sherman Dodge, for allegedly engaging in unfair and deceptive advertising and business practices. Sherman Dodge's advertisements allegedly violated motor vehicle advertising regulations relating to sales events, trade-in values, discount substantiation, and advertised prices.

In [the lawsuit](#), filed in Cook County Circuit Court, Raoul alleges that Sherman Dodge's ongoing deceptive practices have the potential to impact any Illinois consumer who purchases new or used vehicles from Sherman Dodge, as well as harm other dealerships across Illinois.

"Sherman Dodge knowingly and repeatedly took advantage of people through deceptive advertising – even after entering into an agreement with the Attorney General's office to stop using unlawful practices," Raoul said. "I am committed to seeking enforcement against business and others who violate the law to take advantage of Illinois consumers."

Sherman Dodge is an authorized Chrysler, Jeep and Dodge dealer located in Skokie, Ill. The dealer advertises through various mediums including its own website, third-party websites, newspapers, and direct mailers. In October 2014, the Attorney General's office opened an investigation into Sherman Dodge after receiving complaints from consumers who were unable to purchase vehicles advertised by the dealer. Consumers alleged that upon visiting Sherman Dodge to purchase a vehicle seen in advertisements, sales representatives would say the advertised vehicle was already sold, and would try to sell customers a different vehicle instead. Additionally, consumers alleged that they continued to see the same vehicle in advertisements for weeks following.

Following the investigation, Sherman Dodge entered into an Assurance of Voluntary Compliance (AVC) with the Attorney General's office in February 2016. Under the AVC, Sherman Dodge agreed to not sell a vehicle for more than the advertised price, advertise a vehicle that it has already sold or leased, guarantee a specific value for a trade-in vehicle, advertise a sale without reducing the selling price of vehicles listed in an advertisement by at least 5 percent, or include limited rebates in an advertised price.

Raoul's lawsuit alleges that Sherman Dodge has violated the AVC by continuing to engage in the illegal and deceptive activities prohibited by the AVC. The Attorney General alleges Sherman Dodge further violated the Illinois Consumer Fraud and Deceptive Business Practices Act by deceptively using fake checks and coupons in its advertisements, failing to disclose a consumer's potential responsibility for negative equity on a trade-in, failing to promptly pay off a loan on a traded-in vehicle, and advertising loan opportunities to those facing bankruptcy.

In the lawsuit, Raoul is seeking to prohibit Sherman Dodge from engaging in acts or practices that violate the law, rescind all contracts entered into between Sherman Dodge and consumers by use of unlawful methods and require Sherman Dodge to pay full restitution to consumers. Raoul is also seeking a civil penalty of \$50,000 per deceptive act or practice, with an additional \$50,000 for each act or practice committed with the intent to defraud and an additional \$10,000 for each act committed against a person 65 years of age or older.

Consumers who believe they have been a victim of deceptive advertising practices can file a complaint on the [Attorney General's website](#) or by calling Raoul's Consumer Fraud Hotline at 1-800-243-0618.

Assistant Attorney General Jacob Gilbert is handling the case for Raoul's Consumer Fraud Division.