

Washington Attorney General sues two more businesses as part of industry crackdown

Local News

Posted by: David Haviland

Posted on : October 23, 2009 at 5:19 am

VANCOUVER, Wash. — The Attorney General's announced today that it is suing RGH Marketing, Inc., and the general manager of Interstate Auto Liquidators, as part of an ongoing crackdown on deceptive practices by some dealers and marketers.

"Deceptive advertising by some auto dealers and marketers has accelerated in the down economy," Attorney General Rob McKenna said.

McKenna said that's unfair for auto businesses that are playing by the rules and for consumers.

"Whether some dealers are intentionally detouring around the law or ignorant of it doesn't matter in the end — they can still be sued. The increased sales revenue isn't worth so much when you have to pay attorneys' fees and penalties."

Since 2007, the Attorney General's Office has accused five marketing businesses and two Washington dealerships of false advertising. That tally includes the latest lawsuit, filed this week in Clark County Superior Court. It accuses RGH Marketing, of Happy Valley, Ore., and Robert G. Hubbard, Jr., of violating the Washington's Consumer Protection Act, Promotional Advertising of Prizes Act and Dealers' Licenses Act.

Hubbard lives in Oregon and is the general manager of Interstate Auto Liquidators, based in Vancouver, Wash. RGH Marketing claims on its Web site that it is a wholesale division of Whitney's Auto Group, whose members include Whitney's Chevrolet in Montesano, Aberdeen Honda, Whitney's Value Ford in Elma, Interstate Auto Liquidators in Kelso, and Stormy's Used Cars in Elma.

"We believe that RGH Marketing promoted off-site sales at locations throughout Washington, making it appear these were special bank-ordered events," Assistant Attorney General Mary Lobdell explained. "In fact, we believe the cars were from the Whitney's Group dealers' regular inventory or were picked up at auto auctions."

The state's complaint accuses the defendants of using terms such as "Pre-Auction Auto Sale," "Repos," and "Bank Asset Sale." Ads also included statements such as "\$0 Down Delivers!" when RGH knew or should have known that the dealer can't prove these statements are true.

In 2006, the Oregon Department of Justice sent a [notice](#) to Hubbard, doing business as U.S. Marketing Direct, along with RGH Marketing and other individuals. The agency alleged their direct mail advertisements for "pre-auction liquidation" sales events violated the law. The flyers advertised events by Nationwide Fleet Liquidators. Oregon DOJ said the sales were conducted by Kirby Car Company and Newberg Dodge Chrysler Jeep and, despite advertising claims, the vehicles were offered at retail prices.

[RGH Complaint](#)