



Minnesota Automotive Advertising

3-Strikes Progression

May 2026

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.

1st Strike: Lathrop will send a 1st 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

2nd Strike: Lathrop will send a 2nd 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 1st Strike letter

The 2nd 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.

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

If a 3rd Strike is issued the following will occur:

- Lathrop will notify the Minnesota Attorney General of the violation seeking enforcement under Minnesota law.
- If the violation involves a dealer's failure to disclose its document administration fee (or "doc fee") and include that fee in the advertised/most prominent vehicle price (or, in the case of a lease, the advertised lease payment or amount due at signing), Lathrop will notify the Federal Trade Commission if such failure, combined with other acts or omissions violate the Standards, violates established FTC rules and guidance regarding dealer transparency in vehicle pricing.
- 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 3rd Strike to the dealer community in other ways.