



Used Car News publishes Tom Hudson's article on competing with dealers who cheat in their compliance

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On June 17, *Used Car News* published [Tom Hudson's](#) article, "How Do You Compete When Other Dealers Cheat?" Tom identifies a list of illegal activities, such as engaging in illegal spot delivery transactions, telling buyers that the purchase of service contracts is required as a condition of financing, and advertising cars at one price online for "creditworthy buyers" while charging credit-challenged buyers more to cover the discounts they pay when they sell retail installment contracts to discounting finance companies. He offers honest dealers several solutions on competing with dishonest dealers.

One such solution involves complaining to a state or federal regulator about another dealer's illegal activities, but even honest dealers can be reluctant to take this drastic action. You could simply meet with regulators and describe the illegal activity without naming names, and ask for an investigation. Another idea is to raise the issue with your state dealership association. Finally, dealerships can engage in efforts to educate the public about common dealer scams and ways to avoid them. According to Tom, an educated consumer can be a compliant dealer's best defense against cheating dealers.

Tom is a founding partner of Hudson Cook, now Of Counsel to the firm, and has practiced consumer financial services law since 1973. He has focused his practice on matters relating to vehicle sales, financing and leasing, and his clients include captive foreign and domestic auto finance companies, major banks and independent finance companies, trade associations and companies who supply services to the auto finance and lease industry.

[Click here](#) to read the article.

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