



Jan. 2020

SB 178/HB 212:

How MAAP Rules Prevent Consumers from Getting Accurate Price Information

Under the **Minimum Allowable Advertised Price (MAAP)** rules many car manufacturers have imposed, manufacturers can penalize auto dealers – and through them consumers – by taking away important supports including advertising support and participation in awards and recognition programs if the dealer advertises a price below the MAAP level online or in print. Many auto manufacturers have, in effect, created a new price – the **MAAP** – and effectively prohibit dealers from advertising their own discounts that can make their actual selling price more than \$1,500 less than the MAAP price.

The Internet is supposed to help consumers shop and compare prices. But because manufacturers are punishing dealers for advertising prices below their MAAP price, the price information consumers find there is often far from accurate.

Q: Which manufacturers have a minimum advertised price (MAP)?

A: Cadillac, Honda, Lexus, Mazda, Mercedes Benz, Nissan, Subaru, Toyota, VW have all instituted MAAP pricing guidelines. Hyundai has also announce that it will move in this direction.

MAAP Prices vs. Showroom Prices: The Gap Can Be Very Large

WHAT MANUFACTURERS REQUIRE: MAP PRICE

2019 Toyota Corolla LE Sedan Front-wheel Drive

Engine: 1.8L I-4 cyl
MPG Range: 28/36
Exterior Color: Black Sand Pearl
Stock #: 216175

MSRP: \$20,378
Toyota Offer: -\$1,500
Price: \$18,878
Military Offer: -\$750
Loyalty Offer: -\$500
Conditional Final Price: \$17,628

Manufacturer Offers:
\$1,500 cash back on select 2019 Toyota Corolla.
Financing Offer: 1.9% for 72 mos on select Toyota models

WHAT CONSUMERS WANT: TRANSPARENCY

2019 Toyota Corolla LE Sedan Front-wheel Drive

Engine: 1.8L I-4 cyl
MPG Range: 28/36
Exterior Color: Black Sand Pearl
Stock #: 216175

MSRP: \$20,378
FITZWAY LOW PRICE REDUCTION: -\$1,718
Price: \$17,160
Military Offer: -\$750
Loyalty Offer: -\$500
Conditional Final Price: \$15,910

Manufacturer Offers:
\$1,500 cash back on select 2019 Toyota Corolla.
Financing Offer: 1.9% for 72 mos on select Toyota models

WHAT MANUFACTURERS REQUIRE: MAP Price

MSRP: \$25,629
DARCARS Savings: -\$1,675
Toyota Offer: -\$1,000
Final Price: \$22,954

Conditional Offers:
\$750* Cash Offer
\$500* Cash Offer
\$500* Cash Offer
*Offer disclaimers and eligibility included in details

WHAT CONSUMERS WANT: Transparency

MSRP: \$25,629



DARCARS Price: \$20,454 after \$1000 rebate plus taxes, tags and \$300 processing fee.