District Attorney Marc Bennett 18th Judicial District of Kansas



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For Immediate Release, August 26, 2022

WICHITA, KAN. – A \$159,328.41 default judgment was entered against a local used car dealership and its owners for violations of the Kansas Consumer Protection Act (KCPA). The dealership and its owners are now permanently enjoined from selling vehicles in Kansas.

The District Attorney's Consumer Protection Division investigated iDeal Enterprises, LLC, doing business as iDeal Motors, as well as Adam and Andrea Newbrey after receiving consumer complaints on the dealership formerly located at 4435 S. Broadway in Wichita. The Consumer Protection Division alleged it received two separate consumer complaints after the dealership failed to provide title to the buyers. During the investigation, the Consumer Protection Division discovered in one transaction the Defendants sold a consumer a scrap vehicle without being properly licensed, used an unlicensed salesperson on the transaction, willfully withheld from the buyer that the vehicle was a scrap vehicle, and falsely told the buyer the vehicle was a salvage vehicle.

In the second transaction, Defendants sold a vehicle with open safety recalls which the Defendants willfully failed to disclose to the buyer. In both transactions, Defendants failed to deliver title within sixty days and issued multiple sixty-day temporary registration permits in violation of Kansas law.

iDeal and Adam Newbrey previously entered into a consent judgment with the Office of the District Attorney in 2019. In that judgment, iDeal and Adam Newbrey promised to make a good faith effort to resolve new consumer complaints. The Consumer Protection Division alleged the dealership and Newbery willfully failed to cooperate with the investigation.

The default judgment calls for the Defendants to pay over \$24,000 in restitution to consumers and \$90,000 in civil penalties for the KCPA violations in addition to other costs and expenses. The court also imposed an additional \$40,000 fine on iDeal and Adam Newbrey for violations of the prior consent judgment. The judgment revoked the business license for iDeal and permanently enjoined the Newbreys from selling motor vehicles in Kansas.

The District Attorney reminds residents that when buying a used car make sure you know as much as you can prior to the purchase. Consider asking to take the vehicle for an independent inspection prior to buying the car. Have the car inspected, ask for a

vehicle history report, and check for recalls at <u>https://www.safercar.gov/vin</u>. Recalls are free and repairs are covered by the manufacturer and other safety issues may also impact your decision to buy the car. Buyers Guides are required to be placed on used vehicles being sold by vehicle dealers, it is known as the Used Car Rule. A Buyers Guide gives consumers important purchasing and warranty information. Residents can also visit <u>https://www.consumer.ftc.gov/articles/buying-used-car-dealer</u> for more information about buying a used car.

Customers should also receive certificates of title within sixty days of vehicle purchase so the buyer can register the vehicle. Failure to provide title within sixty days makes the transaction "fraudulent and void" entitling buyers to a refund. K.S.A. 8-135(c)(7). Under Kansas law, dealership employees acting as a salesperson must be licensed by the Kansas Department of Revenue. K.S.A. 8-2404. Dealerships may only issue a buyer one sixty day temporary registration permit following the sale of a vehicle. K.S.A. 8-2409. Remember, driving without proper registration is against the law.

The default judgment was filed on August 26, 2022 and signed by Judge Deborah Hernandez Mitchell. The matter was investigated by Kristen Zluticky of the District Attorney's Office.

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