

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Joseph J. Simons, Chairman**
 Noah Joshua Phillips
 Rohit Chopra
 Rebecca Kelly Slaughter
 Christine S. Wilson

In the Matter of

**LIGHTYEAR DEALER TECHNOLOGIES,
LLC, a limited liability company,
d/b/a DEALERBUILT.**

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that LightYear Dealer Technologies, LLC, a limited liability company (“Respondent”), has violated the provisions of the Federal Trade Commission Act, 15 U.S.C. § 45(a)(1), and the Standards for Safeguarding Customer Information Rule (“Safeguards Rule”), 16 C.F.R. Part 314, issued pursuant to Title I of the Gramm-Leach-Bliley (“GLB”) Act, 15 U.S.C. § 6801 *et seq.*; and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent LightYear Dealer Technologies, LLC, also doing business as DLe6 (B)6 (us)-1 (8 0 Td-0.00

is designed to collect and maintain large quantities of personal and competitively sensitive information relating to both consumers and employees.

4. Since 1996, Respondent has licensed its LightYear Dealer Management System (“LightYear”) to automotive dealerships across the United States. Respondent has approximately 180 customers, which comprise nearly 320 dealership locations. Among Respondent’s customers are large dealerships with multiple storefronts and hundreds of employees. Respondent advertises

information stolen included full names and addresses, telephone numbers, SSNs, driver's license numbers, and dates of birth about dealership customers as well as wage and financial account information about dealership employees.

14. Respondent failed to detect the breach. Respondent only became aware of the breach on November 7, 2016, when a customer called Respondent's Chief Technology Officer and demanded to know why customer data was publicly accessible on the Internet. Further, only after a security reporter provided Respondent information regarding the security vulnerability did Respondent discover the source of the vulnerability (*i.e.*, the open port on the storage device).

15. Respondent notified its dealership customers of the breach and then notified affected consumers. Respondent's dealership customers spent hours attempting to match pieces of breached personal information to their customer pool, in order to notify the appropriate consumers. The dealerships received numerous consumer complaints.

Injury to Consumers and Businesses

16. Breached personal information, such as that stored in Respondent's backup database, is often used to commit identity theft and fraud. For example, identity theft

16 C.F.R. §§ 314.3 and 314.4. Violations of the Safeguards Rule are enforced through the FTC Act. 15 U.S.C. § 6805(a)(7).

25. Until at least June 2017, Respondent violated

16 C.F.R. Part 314.

32. The acts and practices of Respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this ____ day of ____ 2019, has issued this complaint against Respondent.

By the Commission.

April J. Tabor
Acting Secretary

SEAL: