

UNITED STATES OF AMERICA Federal Trade Commission WASHINGTON, D.C. 20580

Division of Advertising Practices

February 5, 2018

Daniel S. Blynn Venable LLP 600 Massachusetts Ave., N.W. Washington, DC 20001

Re: ADT LLC – Non-disparagement Provisions, FTC Matter No. 182-3039

Dear Mr. Blynn:

As you know, the staff of the Federal Trade Commission's Division of Advertising Practices has conducted an investigation into the use of non-disparagement and related provisions in the terms and conditions of websites and online services provided to consumers by your client, ADT LLC. ADT's online terms asserted that parties linking to the sites agreed not to disparage ADT, its products or services, or any of ADT's affiliates or their products or services, among other limits on the content of linking sites.

Links to sellers' web pages in consumers' online reviews can be an important way for consumers to share information about the specific goods, services, or seller conduct they are discussing. Form contract provisions, including in online terms, that purport to prohibit or restrict the otherwise lawful content or context of an individual's review on a linking site might violate Section 2(c) of the Consumer Review Fairness Act of 2016, 15 U.S.C. § 45b(c) ("CRFA").<sup>1</sup> The use of, including any attempts to enforce, such restrictions to limit consumers' discussions of truthful or non-defamatory information or opinions about a seller also might be unfair or deceptive conduct under Section 5 of Federal Trade Commission Act, 15 U.S.C. § 45.

Upon careful review of this matter, including non-public information submitted to the staff, we have determined not to recommend enforcement action at this time. In coming to this conclusion, we considered a number of factors, including that ADT had substantially discontinued using the non-disparagement language in its online terms prior to being contacted by the FTC.

This action is not to be construed as a determination that a violation of law did not occur, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may warrant.

Very truly yours

ngle Mary K. Engle

Associate Director

<sup>1</sup> The CRFA became enforceable by the FTC on December 15, 2017. 15 U.S.C. § 45b(i)(2).