

Forking Path Twitter Chat

On Thursday, June 11, FTC staff in the Office of Public Affairs and the Bureau of Consumer Protection participated in a Twitter chat using the agency's primary account, @FTC. During the chat, staff answered questions related to the Forking Path case using the hashtag: #AskFTC.

Note: Tweets in their original order remain on the FTC's Twitter account for as long as Twitter allows. Staff used the "Quote" feature to answer questions.

Qs about FTC's 1st #crowdfunding settlement? Staff will host Twitter chat at 2pm ET. Use #AskFTC Info: <http://go.usa.gov/3Pfe5> #kickstarter

RT @TMcSweenyFTC Today @FTC announces first case involving fraud on a crowdfunding platform: <http://go.usa.gov/3PzfF> Tune in for twitter chat at 2pm #AskFTC

Join staff online in 30 minutes to discuss our first #crowdfunding settlement: <http://go.usa.gov/3Pfe5> #kickstarter Tweet your Qs w/ #AskFTC

Hi all, Helen Wong & Peter Lamberton here. Ready to answer your questions about our 1st #crowdfunding case! Send us your Qs now: #AskFTC

Order imposes \$111K judgment; suspended due 2 inability 2 pay. Wld become due if misrep financial standing. #AskFTC

Quoted Tweet: [REDACTED]: Projects that continually delay: Will backers be given a refund option after funding under law? #AskFTC #crowdfunding #kickstarter

Every case fact specific. If you have been defrauded, file a complaint w/us: <http://www.ftc.gov/complaint> #AskFTC

Quoted Tweet: [REDACTED]: .@FTC Failed kickstarter projects are common. Is failing a project illegal? What makes this #crowdfunding case special? #askFTC

We look at whether the project creator made misrepresentations to consumers. #AskFTC

Quoted Tweet: [REDACTED]: @FTC how do you determine if a crowdfunding project is a fraud (no intention to deliver), or just a failure? #askftc

In this & other #FinTech cases, hope 2 deter bad actors from misusing these platforms 2 #scam consumers. #AskFTC

Quoted Tweet: [REDACTED]: #AskFTC is FTC concerned by potential Crowd Funding fraud because it has ability, through word of mouth, affect a large number of people?

FTC investigations are nonpublic, but can say we're aware of potential for fraud in #FinTech platforms. #AskFTC

Quoted Tweet: [REDACTED]: #AskFTC How many other investigations of alleged crowdfunding fraud are you investigating?

If staff finds he misrepresented fin condition, judgment wld b due & we would pursue legal action 2 collect. #AskFTC

Quoted Tweet: [REDACTED]: .@FTC The defendant says he has no cash to pay \$111K. If his situation changes how can FTC enforce this judgment? Garnish wages? #askFTC

We have number of tools at our disposal & seek to use one(s) that best protect consumers in any given case. #AskFTC

Quoted Tweet: [REDACTED]: #AskFTC If FTC suspects fraud, will it use temporary injunctions in a timely manner to mitigate damage/protect whatever assets may remain?

This case is specific to the project creator's deception. Can't speak to platform's liability generally. #AskFTC

Quoted Tweet: [REDACTED]: #AskFTC At what point could a crowdfunding platform's failure to enforce that project sponsors deliver or refund backers be fraud itself?

These cases each address very different issues; again each case we bring is dependent on the facts. #AskFTC

Quoted Tweet: [REDACTED]: @joemullin and why is @FTC looking at disgorgement from this guy, who has no money, but not from Craig Brittain, who does? #AskFTC

While consumer complaints are very important to our cases, how an investigation starts is nonpublic. #AskFTC

Quoted Tweet: [REDACTED]: @FTC was investigation in the Chevalier case based on a complaint from a backer? #AskFTC

That would be one fact that we consider, but by itself it may not be enough. #AskFTC

Quoted Tweet: [REDACTED]: @FTC is failure to deliver a product a misrepresentation? #AskFTC

FTC looks at potential cases separately and makes a determination based upon the facts. #AskFTC

Quoted Tweet: [REDACTED]: @FTC #askftc will action only be taken against those who have cancelled their projects or projects that haven't fully delivered?

Thanks for all the questions so far -- we'll be here for 20 more minutes. Keep 'em coming. #AskFTC

Hi, we're just answering questions on our crowdfunding case. For other ?s, please email: opa(at)ftc(dot)gov. #AskFTC

This case focuses on the project creator not making false promises to consumers. #AskFTC

Quoted Tweet: [REDACTED]: Was the FTC acting against a representation in the Kickstarter promo, or his later offer of refunds that went unfulfilled? #AskFTC

We have tips for consumers to avoid #crowdfunding #scams in our blog post:

<http://www.consumer.ftc.gov/blog/doomed-false-promises...> #AskFTC

Quoted Tweet: [REDACTED]: @FTC Are there any red flags one may see on a potential crowdfunding scam? #AskFTC

#Crowdfunding platforms have a responsibility to act fairly & non-deceptively. #AskFTC

Quoted Tweet: [REDACTED]: @FTC Does kickstarter or other crowdsource platforms have any responsibility/liability to police campaigns? #AskFTC

Details of FTC investigations are nonpublic so can't discuss specifics. #AskFTC

Quoted Tweet: [REDACTED]: @FTC did @kickstarter cooperate with the #crowdfunding #scams investigation? #AskFTC

Complaint focused on misreps abt using \$ 2 develop a game & provide rewards. See p.9

<http://go.usa.gov/3PAyC> #AskFTC

Quoted Tweet: [REDACTED]: @FTC My question focuses on which was the false promise -> the content of the original @Kickstarter promo, or the promise to make refunds?

Thanks again for all your Qs! Crowdfunding innovative way 2 raise \$, but we hope to deter bad actors from misusing these platforms. #AskFTC

We're signing off -- please see our blog post for more tips:

<http://www.consumer.ftc.gov/blog/doomed-false-promises...> #AskFTC

@winston_yuan Hi, this case is just about the project creator. See complaint for more info:

<http://go.usa.gov/3PAyC> #AskFTC