UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman

Maureen K. Ohlhausen Terrell McSweeny

In the Matter of

GENERAL WORKINGS INC., a corporation, also d/b/a VULCUN, and

ALI MOIZ and MURTAZA HUSSAIN, individually and as officers of GENERAL WORKINGS INC.

DOCKET NO. C-4573

DECISION AND ORDER

The Federal Trade Commission ("Commission"), having initiated an investigation of certain acts and practices of the Respondents named in the caption hereof, and the Respondents having been furnished thereafter with a copy of a draft of a complaint which the Western Region—San Francisco proposed to present to the Commission for its consideration and which, if issued, would charge the Respondents with violations of the Federal Trade Commission Act; and

The Respondents, their attorney, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order ("consent agreement"), which includes: a statement by Respondents that they neither admit nor deny any of the allegations in the draft complaint except as specifically stated in the consent agreement, and, only for purposes of this action, admit the facts necessary to establish jurisdiction; and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the Respondents have violated the Federal Trade Commission Act, and that a complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, and having duly considered the comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34, now in further conformity with the procedure prescribed in Commission Rule 2.34, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent General Workings Inc., also doing business as Vulcun, is a Delaware corporation with its principal office or place of business at 930 Montgomery Street, Suite 301, San Francisco, California 94111.

- 2. Respondent Ali Moiz is a founder and officer of General Workings. His principal office or place of business is the same as that of General Workings.
- 3. Respondent Murtaza Hussain is a founder and officer of General Workings. His principal office or place of business is the same as that of General Workings.
- 4. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the Respondents, and the proceeding is in the public interest.

ORDER

DEFINITIONS

For purposes of this order, the following definitions shall apply:

- 1. Unless otherwise specified, "Respondents" shall mean General Workings Inc., a corporation, also doing business as General Workings, its successors and assigns; and Ali Moiz and Murtaza Hussain, individually and as officers of the corporation.
- 2. "Affected Consumers" shall mean all persons who, prior to December 1, 2014, had *Running Fred*, *Weekly Android Apps*, or other related applications present on their web browser; or (b) had applications installed on any mobile device or computer through *Weekly Android Apps* or another related application.
- 3. "Clearly and conspicuously" means that a required disclosure is difficult to miss (i.e., easily noticeable) and easily understandable by ordinary consumers, including in all of the following ways:
 - A. In any communication that is solely visual or solely audible, the disclosure must be made through the same means through which the communication is presented. In any communication made through both visual and audible means, such as a television advertisement, the disclosure must be presented simultaneously in both the visual and audible portions of the communication, even if the representation requiring the disclosure is made in only one means.
 - B. A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.
 - C. An audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it.
 - D. In any communication using an interactive electronic medium, such as the Internet or software, the disclosure must be unavoidable.

- E. The disclosure must use diction and syntax understandable to ordinary consumers and must appear in each language in which the representation that requires the disclosure appears.
- F. The disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications.
- G. The disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication.
- 4. "Covered Information" shall mean information from or about an individual consumer, including but not limited to (a) a first and last name; (b) a home or other physical address, including street name and name of city or town; (c) an email address or other online contact information, such as an instant messaging user identifier or a screen name; (d) a telephone number; (e) a Social Security number; (f) a driver's license or other state-issued identification number; (g) a financial institution account number; (h) credit or debit card information; (i) a persistent identifier, such as a customer number held in a "cookie," a static Internet Protocol ("IP") address, a mobile device ID, or processor serial number; (j) precise geolocation data of an individual or mobile device, including but not limited to GPS-based, WiFi-based, or cell-based location information ("geolocation information"); (k) an authentication credential, such as a username and password; or (l) any other communications or content stored on a consumer's mobile device.
- 5. "Covered Products or Services" shall mean any product or service offered or operated by any Respondent, including, but not limited, to any (a) browser extension, (b) website or web service, or (c) mobile app.
- 6. "Commerce" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

I.

IT IS ORDERED that Respondents and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any Covered Products or Services, in or affecting commerce, shall not misrepresent in any manner, expressly or by implication:

- 1. The existence of any connection between an endorser and a provider of such Covered Products or Services that might materially affect the weight or credibility of the endorsement;
- 2. The nature of such Covered Products or Services installed, downloaded, reviewed, or endorsed by consumers;
- 3. The number of consumers that have installed, downloaded, used, reviewed, or endorsed such Covered Products or Services;

- 4. The nature of press coverage received by such Covered Products or Services;
- 5. The extent to which Covered Information is collected, used, disclosed, or shared;
- 6. The extent to which users may exercise control over the collection, use, disclosure, or sharing of Covered Information;
- 7. The purpose(s) for which any Covered Information will be collected, used, disclosed, or shared; or
- 8. The extent to which any Respondent uses, maintains, and protects the privacy, confidentiality, security, or integrity of covered information collected from or about consumers.

II.

IT IS FURTHER ORDERED that Respondents and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any Covered Product or Service, shall not offer a product or service or materially change a Covered Product or Service unless prior to the consumer downloading or installing it, Respondents:

- 1. Disclose, clearly and conspicuously, the following:
 - A. The types of information the Covered Product or Service will access and how that information will be used to perform any services related to the Covered Product or Service: and
 - B. The nature of any material change to a Covered Product or Service;
- 2. Display any built-in permissions notice or approval request associated with the installation of any product or service; and
- 3. Obtain the consumer's express affirmative consent prior to the installation of the product or service and prior to any subsequent installation of any other product or service or any material change to a Covered Product or Service.

III.

IT IS FURTHER ORDERED that Respondents, within ten (10) days from the date of entry of this Order, shall delete all Covered Information relating to Affected Consumers that is within their possession, custody, or control and was collected at any time prior to the date of entry of this Order. Covered Information need not be disposed of, and may be disclosed, to the extent requested by a government agency or required by law, regulation, or court order.

Provided, however, that any Covered Information that Respondents currently possess that must be maintained under Part IV of this Order shall not be deleted.

IT IS FURTHER ORDERED that Respondents shall, for five (5) years from the entry of this order or after the last date of dissemination of any representation covered by this order, whichever is later, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- 1. All advertisements and promotional materials containing the representation, including but not limited to Respondents' terms of use, end-user license agreements, frequently asked questions, privacy policies, and other documents publicly disseminated relating to: (a) the collection of data; (b) the use, disclosure or sharing of such data; and (c) opt-out practices and other mechanisms to limit or prevent such collection of data or the use, disclosure, or sharing of data;
- 2. All materials that were relied upon in disseminating the representation;
- 3. Complaints or inquiries relating to any Covered Product or Service, and any responses to those complaints or inquiries; and
- 4. Documents that are sufficient to demonstrate compliance with each provision of this order.

V.

IT IS FURTHER ORDERED that Respondents shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and, for the next five (5) years, to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

VI.

IT IS FURTHER ORDERED that Respondent General Workings Inc, and its successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation(s) that may affect compliance obligations arising under this order, including but not limited to: a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. *Provided, however*, that, with respect to any proposed change in the corporation about which Respondent learns less than thirty (30) days prior to the date such action is to take place, Respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. Unless otherwise directed by a representative of the Commission in writing, all notices required by this Part shall be emailed to Debrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *In the Matter of General Workings Inc.*, File No. 152-3159.

VII.

IT IS FURTHER ORDERED that Respondents Ali Moiz and Murtaza Hussain, for a period of five (5) years after the date of issuance of this order, shall notify the Commission of the discontinuance of their current business or employment, or of their affiliation with any new business or employment. The notice shall include each Respondent's new business address and telephone number and a description of the nature of the business or employment and his duties and responsibilities. Unless otherwise directed by a representative of the Commission in writing, all notices required by this Part shall be emailed to Debrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *In the Matter of General Workings Inc.*, File No. 152-3159.

VIII.

IT IS FURTHER ORDERED that Respondents, within sixty (60) days after the date of service of this order, shall each file with the Commission a true and accurate report, in writing, setting forth in detail the manner and form of their own compliance with this order. Within ten (10) days of receipt of written notice from a representative of the Commission, they shall submit additional true and accurate written reports. Unless otherwise directed by a representative of the Commission in writing, all notices required by this Part shall be emailed to Debrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *In the Matter of General Workings Inc.*, 152-3159.

IX.

This order will terminate on April 18, 2036, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; *provided, however*, that the filing of such a complaint will not affect the duration of:

- 1. Any Part in this order that terminates in less than twenty (20) years;
- 2. This order's application to any Respondent that is not named as a defendant in such complaint; and
- 3. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the Respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

By the Commission.

Donald S. Clark Secretary

SEAL:

ISSUED: April 18, 2016