

**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

**STAFFORDSHIRE PROPERTY MANAGEMENT,
LLC, a limited liability company, and**

**AARON FISCHER, individually and as manager of
STAFFORDSHIRE PROPERTY MANAGEMENT,
LLC.**

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that Staffordshire Property Management, LLC and Aaron Fischer, individually and as owner and manager of Staffordshire Property Management, LLC (collectively, “Respondents”) have violated the Consumer Review Fairness Act of 2016, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Staffordshire Property Management, LLC (“Staffordshire”) is a Maryland limited liability company with its principal office or place of business at 108 East Preston Street, Apt. 1, Baltimore, Maryland 21202. Staffordshire operates a residential property management service and processes consumer applications to rent properties that it manages.
2. Respondent Aaron Fischer is owner and manager of Staffordshire. Individually or in concert with others, he controlled or participated in the acts and practices of Staffordshire, including the acts and practices alleged in this complaint. His principal office or place of business is the same as that of Staffordshire.
3. The acts and practices of Respondents alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

Course of Conduct

4. Between approximately February 2016 and October 2018, Respondents used, in their form contracts offered to hundreds of prospective renters in the course of processing their applications to rent properties that Respondents manage, the following provision:

The Applicant consents, whether approved or not approved, to hold and maintain the terms, conditions, and communications related to Staffordshire Property Management, this application, and application process in strict confidence, and specifically agrees not to disparage Staffordshire Property Management, and any of its employees, managers, or agents in any way, and also agrees not to communicate, publish, characterize, publicize or disseminate, in any manner, any terms, conditions, opinions and communications related to Staffordshire Property Management, this application, or the application process. . . . Any breach of such confidentiality will support a cause of action and will entitle Staffordshire Property Management to recover any and all damages from such a breach.

A copy of the Staffordshire “Authorization, Agreement & Release Consent Form” that includes this language is attached as Exhibit A hereto. Respondents’ form contracts were in effect on or after December 14, 2017.

VIOLATION OF THE CONSUMER REVIEW FAIRNESS ACT

5. The Consumer Review Fairness Act of 2016 (“CRFA”), P.L. 114-258, 15 U.S.C. § 45b, was enacted on December 14, 2016. As of March 14, 2017, Section 2(b) of the CRFA renders void, and Section 2(c) of the CRFA prohibits the offering of, provisions in form contracts that: prohibit or restrict individual consumers’ ability to communicate reviews, performance assessments, and similar analyses about a seller’s goods, services, or conduct; or that impose a penalty or fee against individual consumers who engage in such communications. 15 U.S.C. §§ 45b(a)(2), 45b(b)(1), and 45b(c).

6. The Commission is authorized to enforce Section 2(c) of the CRFA in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act, 15 U.S.C. §§ 41-58, were incorporated into and made a part of the CRFA. 15 U.S.C. § 45b(d)(2)(A). The Commission’s enforcement authority under the CRFA applies to contracts in effect on or after December 14, 2017. 15 U.S.C. § 45b(i)(2).

7. Pursuant to 15 U.S.C. § 45b(d)(1), a violation of 15 U.S.C. § 45b(c) shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under Section 18(a)(1)(B) of the FTC Act, 15 U.S.C. § 57a(a)(1)(B).

Count I

8. As described in Paragraph 4 of this Complaint, Respondents have offered, in the course of selling their services, form contracts, as that term is defined in 15 U.S.C. § 45b(a)(3), that contained a provision made void by 15 U.S.C. § 45b(b)(1).

Therefore, the acts and practices set forth in Paragraph 4 of this Complaint occurring on or after March 14, 2017 violated Section 2(c) of the CRFA, 15 U.S.C. § 45b(c).

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

By the Commission.

April Tabor
Acting Secretary

SEAL: