

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Fashion Nova, Inc., File No. 192-3138

The Federal Trade Commission (“Commission”) has accepted, subject to final approval, an agreement containing a consent order from Fashion Nova, LLC (“Fashion Nova”).

The proposed consent order (“proposed order”) has been placed on the public record for thirty days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty days, the Commission will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement and take appropriate action or make final the agreement’s proposed order.

This matter involves Fashion Nova’s marketing of its Fashion Nova brand apparel. Fashion Nova primarily sold its apparel through its www.fashionnova.com website. The company invited customers to leave product reviews on its website and sent its customers emails soliciting product reviews for recent purchases. Each product webpage on the website with existing reviews displayed the product’s average star rating and a summary graph showing the number of reviews with each star rating, followed by individual consumers’ reviews and ratings. According to the Commission’s proposed complaint, from late 2015 through November 2019, Fashion Nova had four- and five-star reviews automatically posted to its website, but did not approve for posting or publish lower-starred, more negative reviews.

The proposed complaint alleges that Fashion Nova violated Section 5(a) of the FTC Act by misrepresenting that the product reviews on www.fashionnova.com accurately reflected the views of all purchasers who submitted product reviews to the website.

The proposed order contains provisions designed to prevent Fashion Nova from engaging in similar acts and practices in the future and to provide monetary relief.

Provision I prohibits Fashion Nova from misrepresenting: (1) that product reviews on its website accurately reflect the views of all purchasers who submitted reviews of its products; (2) that product reviews are unedited; (3) that product reviews are displayed regardless of the reviewer’s opinion or rating; or (4) how product reviews factor into any composite or overall rating of a product.

Provision II requires Fashion Nova to display all product reviews for products currently offered for sale that are or were submitted to its website. The provision provides that Fashion Nova is not required to display reviews that are unrelated to its products and to its customer service, delivery, returns, or exchanges. The provision also provides that Fashion Nova is not required to display reviews that contain unlawful, profane, obscene, vulgar, or sexually explicit content, or content that is inappropriate with respect to race, gender, sexuality, or ethnicity, so long as the criteria for withholding reviews is applied uniformly to all reviews submitted. Finally, the company is not required to offer the opportunity to submit reviews for any or every product offered for sale on its website.

Provision III requires Fashion Nova to pay the Commission \$4,200,000 within 8 days of the effective date of the order. Provision IV sets out additional requirements related to the monetary relief.

Provisions V through VIII of the proposed order are reporting and compliance provisions. Provision V requires acknowledgement of the order and dissemination of the order now and in the future to persons with responsibilities relating to the subject matter of the order. Provision VI ensures notification to the FTC of changes in corporate status and mandates that the company submit an initial compliance report to the FTC. Provision VII requires the company to create and retain certain documents relating to its compliance with the order. Provision VIII mandates that the company make available to the FTC information or subsequent compliance reports, as requested.

Provision IX states that the proposed order will remain in effect for 20 years, with certain exceptions.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the complaint or proposed order, or to modify in any way the proposed order's terms.