

United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

Division of Advertising Practices

December 21, 2018

Laura Brett, Esq., Director National Advertising Division 112 Madison Avenue, 3rd Floor New York, NY 10016

Re: Advertising for LG Electronics USA, Inc.'s OLED Televisions

Dear Ms. Brett:

Thank you for your letter referring to the Federal Trade Commission an NAD matter involving advertising claims by LG Electronics USA, Inc. ("LG") for its OLED televisions. Your referral indicates that Samsung Electronics America, Inc. challenged numerous aspects of LG's advertising and that LG participated in NAD's self-regulatory process and agreed to follow most of NAD's recommendations to discontinue certain claims. Further, your letter states that LG filed an appeal as to NAD's findings regarding select claims, including that its televisions produce "perfect black" and "infinite contrast." However, your letter explains that LG subsequently withdrew that appeal and filed a petition for NAD to reopen the case, asserting that such action was warranted on the basis of new evidence. After NAD declined to reopen the matter, LG informed NAD that it would not discontinue the "perfect black" and "infinite contrast" claims, and you referred this matter to the FTC for our review.

In addition to reviewing the NAD case record, we have examined additional evidence provided by LG and met with representatives from the company to discuss the OLED technology at issue. After careful review of the claims at issue, including non-public information provided by LG, we have determined not to take additional action at this time. In coming to this conclusion, we considered a number of factors related to resource allocation and enforcement priorities, as well as the nature of any FTC Act violation and the type and severity of any consumer injury.

The Commission reserves the right to take such further action as the public interest may

Ms. Laura Brett, Esq. December 21, 2018 Page 2

require. We appreciate your referral and the opportunity to continue supporting the NAD self-regulatory process.

Very truly yours,

Carolyn L. Hann Chief of Staff for Advertising Practices

cc: Mr. John Villafranco, Esq., counsel for LG