

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Andrew N. Ferguson, Chairman**
 Melissa Holyoak
 Mark R. Meador

In the Matter of

DECISION AND ORDER

**WORKADO, LLC, a limited liability company,
f/k/a CONTENT AT SCALE AI.**

DOCKET NO. C-

DECISION

The Federal Trade Commission (“Commission”) initiated an investigation of certain acts and practices of the Respondent named in the caption. The Commission’s Bureau of Consumer Protection (“BCP”) prepared and furnished to Respondent a draft Complaint. BCP proposed to present the draft Complaint to the Commission for its consideration. If issued by the Commission, the draft Complaint would charge the Respondent with violations of the Federal Trade Commission Act.

Respondent and BCP thereafter executed an Agreement Containing Consent Order (“Consent Agreement”). The Consent Agreement includes: 1) statements by Respondent that it neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Decision and Order, and that only for purposes of this action, it admits the facts necessary to establish jurisdiction; and 2) waivers and other provisions as required by the Commission’s Rules.

The Commission considered the matter and determined that it had reason to believe that Respondent has violated the Federal Trade Commission Act, and that a Complaint should issue stating its charges in that respect. The Commission accepted the executed Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of

public comments. The Commission duly considered any comments received from interested persons pursuant to Section 2.34 of its Rules, 16 C.F.R. § 2.34. Now, in further conformity with the procedure prescribed in Rule 2.34, the Commission issues its Complaint, makes the following Findings, and issues the following Order:

Findings

1. The Respondent is Workado, LLC, formerly known as Content at Scale AI (“Content At Scale”), an Arizona limited liability company with its principal office or place of business at 15333 N. Pima Road, Suite 260, Scottsdale, Arizona 85260.
2. The Commission has jurisdiction over the subject matter of this proceeding and over the Respondent, and the proceeding is in the public interest.

ORDER

Definitions

For purposes of this Order, the following definitions apply:

- A. “Covered Product” means any product incorporating technology that detects or purports to detect content, including text and images, generated or altered in part or in whole by artificial intelligence.
- B. “Respondent” means Workado, LLC, a limited liability company formerly known as Content At Scale AI, and its successors and assigns.

Provisions

I. Prohibited Misleading and Unsubstantiated Representations

IT IS ORDERED that Respondent, and Respondent’s officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, promotion, offering for sale, or sale of any Covered Product must not make any representation expressly or by implication, about such product’s effectiveness at detecting content generated or altered by artificial intelligence, unless the representation is non-misleading, including that, at the time such representation is first made, and each time such representation is made thereafter, they possess and rely upon competent and reliable evidence, which when appropriate based on the expertise of professionals in the relevant area must be competent and reliable scientific evidence, that is sufficient in quality, quantity, and timeliness based on standards generally accepted in the relevant fields when considered in light of the entire body of relevant and reliable evidence, to substantiate that the representation is true. For the purposes of

this Provision, the Provision titled Preservation of Records Relating to Competent and Reliable Evidence, and the Provision titled Public Statement Regarding Competent and Reliable Evidence:

- A. “Competent and reliable evidence” means tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that (1) have been conducted and evaluated in an objective manner by qualified persons and (2) are generally accepted in the profession to yield accurate and reliable results.
- B. “Competent and reliable scientific evidence” means tests, analyses, research, or studies that (1) have been conducted and evaluated in an objective manner by qualified persons and (2) are generally accepted in the profession to yield accurate and reliable results.

II. Preservation of Records Relating to Competent and Reliable Evidence

IT IS FURTHER ORDERED that, with regard to any competent and reliable evidence, including competent and reliable scientific evidence, upon which Respondent relies to substantiate any claim covered by this Order, Respondent must secure and preserve all underlying or supporting data and documents generally accepted by experts in the field as relevant to an assessment of such evidence, including:

- A. All documents referring or relating to testing protocols or protocol amendments, including documents referring or relating to the rationale for the methodologies and metrics used therein;
- B. Any data that was used for testing;
- C. For any data that was used for testing, all documents referring or relating to the data sources and distribution, evaluation classes, class distribution, and types and description of values included;
- D. All documents referring or relating to any processing steps performed on the data used for testing and how such processing steps mirror or differ from those performed on the data used for training the Covered Products;
- E. All documents referring or relating to any steps taken to avoid overlap between the training datasets and testing datasets;
- F. All documents referring or relating to the reasoning as to why the data used for evaluation is sufficient and appropriate given the expected use cases, including why the data distribution is appropriate; and

- G. All documents referring or relating to any statistical analysis of any test data, including preliminary and intermediary analyses such as confusion matrices.

III. Notices to Customers

IT IS FURTHER ORDERED that Respondent must notify customers as follows:

- A. Respondent must identify all consumers who subscribed to Respondent's products for detecting content generated or altered by artificial intelligence ("eligible customers").
1. Such eligible customers, and their contact information, must be identified to the extent such information is in Respondent's possession, custody or control;
 2. Eligible customers include those identified at any time including after Respondent's execution of the Consent Agreement through the eligibility period, which runs for 1 year after the issuance date of the Order.
- B. Respondent must notify all identified eligible customers by emailing each a notice in the form shown in **Attachment A**.
- C. Respondent must notify all eligible customers within 180 days after the issuance date of this Order and any eligible customers identified thereafter within 30 days of their identification.
- D. Respondent must report on their notification program under penalty of perjury:
1. Respondent must submit a report annually and at the conclusion of the program summarizing its compliance to date, including the total number of eligible customers identified and the total number of eligible customers notified.
 2. If a representative of the Commission requests any information regarding the program, including any of the underlying customer data, Respondent must submit it within 10 days of the request.
 3. Failure to provide required notices or any requested information will be treated as a continuing failure to obey this Order.

IV. Acknowledgments of the Order

IT IS FURTHER ORDERED that Respondent obtain acknowledgments of receipt of this Order:

- A. Respondent, within 10 days after the effective date of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.
- B. Respondent must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for conduct related to the subject matter of the Order and all agents and representatives who participate in conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Provision titled Compliance Reports and Notices. Delivery must occur within 10 days after the effective date of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.
- C. From each individual or entity to which a Respondent delivered a copy of this Order, that Respondent must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

V. Compliance Reports and Notices

IT IS FURTHER ORDERED that Respondent make timely submissions to the Commission:

- A. One year after the issuance date of this Order, and annually thereafter for 3 years, Respondent must submit a compliance report, sworn under penalty of perjury, in which Respondent must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission, may use to communicate with Respondent; (b) identify all of that Respondent's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales; (d) describe in detail whether and how that Respondent is in compliance with each Provision of this Order, including a discussion of all of the changes the Respondent made to comply with the Order; and (e) provide a copy of each Acknowledgment of the Order obtained pursuant to this Order, unless previously submitted to the Commission.
- B. Respondent must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following: (a) any designated point of contact; or (b) the structure of the Respondent or any entity that Respondent has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.
- C. Respondent must submit notice of the filing of any bankruptcy petition, insolvency

proceeding, or similar proceeding by or against Respondent within 14 days of its filing.

- D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: “I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____” and supplying the date, signatory’s full name, title (if applicable), and signature.
- E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must 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 re Workado, LLC, also f/k/a Content At Scale AI.

VI. Recordkeeping

IT IS FURTHER ORDERED that Respondent must create certain records for 10 years after the issuance date of the Order, and retain each such record for 5 years, unless otherwise specified below. Specifically, Respondent must create and retain the following records:

- A. Accounting records showing the revenues from all goods or services sold, the costs incurred in generating those revenues, and resulting net profit or loss;
- B. Personnel records showing, for each person providing services in relation to any aspect of the Order, whether as an employee or otherwise, that person’s: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. A copy of each unique advertisement or other marketing material making a representation subject to this Order;
- D. For 5 years from the date of the last dissemination of any representation covered by this Order:
 - 1. All materials that were relied upon in making the representation; and
 - 2. All tests, studies, analyses, demonstrations, other research or other such evidence in Respondent’s possession, custody, or control that contradicts, qualifies, or otherwise calls into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with

governmental or consumer protection organizations; and

- E. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission.

VII. Compliance Monitoring

IT IS FURTHER ORDERED that, for the purpose of monitoring Respondent's compliance with this Order:

- A. Within 10 days of receipt of a written request from a representative of the Commission, Respondent must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury, and produce records for inspection and copying.
- B. For matters concerning this Order, representatives of the Commission are authorized to communicate directly with Respondent. Respondent must permit representatives of the Commission to interview anyone affiliated with Respondent who has agreed to such an interview. The interviewee may have counsel present.
- C. The Commission may use all other lawful means, including posing through its representatives as consumers, suppliers, or other individuals or entities, to Respondent or any individual or entity affiliated with Respondent, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

VIII. Order Effective Dates

IT IS FURTHER ORDERED that this Order is final and effective upon the date of its publication on the Commission's website (ftc.gov) as a final order. This Order will terminate 20 years from the date of its issuance (which date may be stated at the end of this Order, near the Commission's seal), or 20 years from the most recent date that the United States or the Commission files a complaint (with or without an accompanying settlement) in federal court alleging any violation of this Order, whichever comes later; *provided, however*, that the filing of such a complaint will not affect the duration of:

- A. Any Provision in this Order that terminates in less than 20 years;
- B. This Order's application to any Respondent that is not named as a defendant in such complaint; and

C. This Order if such complaint is filed after the Order has terminated pursuant to this Provision.

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 Provision 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.

April J. Tabor
Secretary

SEAL:

ISSUED:

ATTACHMENT A: NOTICE TO CUSTOMERS

The notification email must be in the following form, from an authorized Workado, LLC, formerly known as Content At Scale AI (“Content At Scale AI”), email address, and contain a signature line that refers to Content At Scale, with the sender’s full contact information:

Subject: FTC Settlement About Accuracy Claims of Content at Scale’s AI Detector

Dear <Customer>:

We’re writing to tell you that we reached an agreement with the Federal Trade Commission (FTC), the nation’s consumer protection agency, to settle charges that we made false or unsubstantiated advertising claims about the accuracy of our AI Content Detector.

We claimed that our AI Content Detector will predict with a 98% accuracy rate whether text was created by AI content generators like ChatGPT, GPT4, Claude, and Bard. The FTC says we didn’t have proof to back up those claims. We’ve stopped making those claims. In the future, we won’t make claims about the accuracy of our AI content detection tools unless we can prove them. In the meantime, it’s our hope that you’ll use the tool as a guide to further improve your writing.

If you have questions about this case, visit [URL].

Sincerely,

[Signatures for Workado, LLC, fka Content At Scale AI]

[Signature blocks for Workado, LLC, fka Content At Scale AI]