VENABLE^{*}11.P

advertising and marketing

A PUBLICATION OF VENABLE'S REGULATORY PRACTICE GROUP

April 30, 2015

Issue Editors

Jeffrey D. Knowles jdknowles@Venable.com 202.344.4860

Roger A. Colaizzi racolaizzi@Venable.com 202.344.8051

Gary D. Hailey gdhailey@Venable.com 202.344.4997

Gregory J. Sater gjsater@Venable.com 310.229.0377

In This Issue

Jeffrey D. Knowles jdknowles@Venable.com 202.344.4860

Leonard L. Gordon Igordon@Venable.com 212.370.6252

Andy Arculin raarculin@Venable.com 202.344.4588

Daniel S. Blynn dsblynn@Venable.com 202.344.4619

Mark S. Goodrich msgoodrich@Venable.com 202.344.4715

Honors and Awards

Law Firm of the Year, National Advertising, *U.S. News and World Report*, 2012 and 2014

Announcement:

Miss the NY Advertising Law Symposium?

If you were unable to join Venable's advertising attorneys and more than 100 in-house counsel and regulators for yesterday's full-day advertising law symposium, you can still take advantage of the educational content from the program.

Click here to request a copy of the slides presented during yesterday's symposium.

News:

Another CFPB Veteran joins Venable's CFPB Task Force

Earlier this week, Venable announced that Andy Arculin, former senior counsel at the Consumer Financial Protection Bureau (CFPB) Office of Regulations, has joined the firm's Washington, DC office. At the bureau, Andy was responsible for the development and implementation of sweeping consumer financial services regulations under the Real Estate Settlement Procedures Act (RESPA), the Truth in Lending Act (TILA), and the Equal Credit Opportunity Act (ECOA) under the Dodd-Frank Act's mortgage rules. Most recently, he led a Bureau-wide effort to support implementation of the TILA-RESPA Integrated Disclosures rule.

Click here to read Venable's press release announcing Andy's arrival and learn more about the depth and insight he adds to Venable's CFPB Task Force and Financial Services practice group.

Analysis:

Daniel Chapter One Violates FTC Settlement, Swallows \$3.5 MM in Civil Penalties

It is a safe bet that, along with some divine intervention, not poking the lions played a role in Daniel emerging unscathed from the lion's den in the biblical story. Last month dietary supplement marketer Daniel Chapter One was forced to swallow a large and bitter pill when the U.S. District Court for the District of Columbia granted the Department of Justice's (DOJ) motion for a final order providing injunctive relief, monetary relief, and civil penalties against the company and its principle, James Feijo. DOJ sought the relief, write Venable attorneys Leonard L. Gordon and Mark S. Goodrich in a recent post to the firm's advertising law blog, after the company repeatedly flaunted a previous settlement with the Federal Trade Commission (FTC) and numerous cease-and-desist letters by claiming its supplements could treat, cure, or prevent cancer, inhibit tumors, and lessen adverse side effects of radiation and chemotherapy.

The case, the authors write, serves as a cautionary tale of how high civil penalties can become when a business fails to comply with an FTC order.



Top ranked in *Chambers USA* 2014



Top-Tier Firm Legal 500



For more information about Venable's award-winning Advertising and Marketing practice, please visit our website at www.Venable.com/Advertisingand-Marketing Click here to learn more about the Daniel Chapter One matter and the consequences companies must consider after entering into an FTC consent order.

Read the Court's opinion here.

FTC Leads Charge Against Deceptive Affiliate Marketing Tactics

Affiliate marketing can be a profitable medium to generate interest in a merchant's products or services, write Venable attorneys Leonard L. Gordon and Mark S. Goodrich in a recent post to the firm's advertising law blog. However, affiliate marketers sometimes engage in deceptive advertising to drive traffic to marketers' products and it should not be a surprise that the FTC has taken notice.

The Commission has filed a number of actions against affiliate marketers for violations of Section 5 of the FTC Act, the authors write. And the FTC's latest win, securing summary judgment against affiliate network LeadClick Media, Inc. and its parent company, highlights the broad net the FTC now casts in its cases as it seeks to disrupt the ecosystem in which it believes deception lives.

Read the full blog post to learn more about the *LeadClick* case and the logic the FTC used to pursue a service provider to the marketer originally targeted by the Commission.

Read the Court's decision granting Summary Judgment in the *LeadClick* matter.

As TCPA Suits Proliferate, Compliance is the Best Defense

If it seems like the number of lawsuits alleging violations of the Telephone Consumer Protection Act (TCPA) are growing, it is not your imagination, write Venable attorneys **Daniel S. Blynn** and **Mark S. Goodrich** in a recent post to Venable's advertising law blog.

Observers looking for evidence of the trend need look no farther than the emergence of two mobile applications that allow consumers to create legal documentation of unwanted robocalls, telemarketing calls, and debt collection calls and then forwards the information to law firms specializing in filing lawsuits against businesses. In an environment where plaintiffs' firms are so aggressive, the authors write, the best defense is to understand the law and go to great pains to comply.

Read the full blog post to learn more about TCPA trends and what is necessary to secure "prior express consent" to call consumers' cell phones.

Read the latest edition of Venable's *TCPA Update* to get up to speed on the latest trends in TCPA lawsuits.

Abbas Decision May Have Far-Reaching Consequences for Bloggers and Marketers

Marketers often file defamation, trade libel, false advertising, and other claims against bloggers and others who make alleged false statements about the products marketed and sold by the marketers. Bloggers, on the other hand, often counter that the statements they made are true, consist of their opinions, and constitute free speech. In states with Anti-SLAPP (strategic lawsuit against public participation) statutes, bloggers and others involved in making such statements can seek early dismissal of those suits, and even obtain attorneys' fees, if they can show that they merely exercised their free speech rights.

However, write Venable attorneys Ari N. Rothman and Moxila A. Upadhyaya in a recent client alert, the U.S. Court of Appeals for the District of Columbia Circuit's recent decision in *Abbas v. Foreign Policy Group LLC* may mark the beginning of a nationwide trend that could affect how marketers, bloggers, and other

parties litigate such cases.

Read the client alert to learn how the decision may give marketers a new strategy to derail Anti-SLAPP lawsuits.

Read the full Abbas decision here.

Events:

Understanding Federal and State AG Financial Services Enforcement Trends Webinar Tuesday, May 5, 2015

Over the past several years, federal and state enforcement agencies have shifted their focus to financial services providers, including small dollar lenders, mortgage lenders and servicers, telemarketers, private student lenders, debt collectors, as well as their third-party payment processors and other vendors. The Department of Justice's Operation Choke Point (OCP), and other government enforcement actions targeting financial services providers and vendors, are examples of this enforcement evolution. Join Venable partners, including a former U.S. Senator and state Attorney General, a former federal prosecutor, and two seasoned industry attorneys for a webinar and in-depth examination of the government's criminal and civil enforcement priorities at the forefront of government criminal and civil enforcement efforts from a regulatory, legislative, and business perspective.

Click here to learn more about the program and register to attend the webinar.

ERA Government Affairs Fly-In

May 12 - 13, 2015 | Washington, DC

Join the Electronic Retailing industry's leaders as they gather in Washington to learn about the current political landscape and what to expect in the year ahead. This unique opportunity allows you to network with the electronic retailing industry's executive leadership, play a vital role in molding the industry's future, and protect your business in today's uncertain regulatory environment.

Click here to learn more about the Fly-In and register to attend.

ad:tech San Francisco

May 20 – 21 | San Francisco, CA

Join Venable at ad:tech San Francisco, the conference and exhibition where the marketing, technology, and media communities come together to share new ways of thinking about online advertising. Visit Venable in booth 1623.

Click here to learn more about ad:tech San Francisco and register to attend.

Internet Retailer Conference and Exhibition

June 2-5 | Chicago, IL

Join Venable at the Internet Retailer Conference and Exhibition, the world's largest event dedicated exclusively to e-commerce. With more than 200 industry-leading speakers and more than 600 companies in the e-commerce solutions industry exhibiting at the conference, IRCE is a must-attend for companies in the e-commerce market. Plan to visit Venable at booth 358 during IRCE.

Click here to learn more about Internet Retailer and register to attend.

Click here to subscribe to Venable's Advertising and Marketing RSS feed and receive the Venable team's insight and analysis as soon as it is posted.

Visit Venable's advertising law blog at www.allaboutadvertisinglaw.com.