

AT&T to Pay \$60 Million to Settle Dispute Over “Unlimited” Claims

Gonzalo E. Mon

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Last week, the FTC announced that AT&T had agreed to pay \$60 million to settle litigation over allegations that the company misled customers by advertising “unlimited” data plans that were subject to significant limitations. If you work in the mobile or broadband spaces, you should check out [this analysis](#) by our friends at CommLaw Monitor. But the settlement includes some valuable lessons, even if you don’t work in those spaces.

Andrew Smith, Director of the FTC’s Bureau of Consumer Protection, summed up one of the key issues in the case as follows: “AT&T promised unlimited data – without qualification – and failed to deliver on that promise. While it seems obvious, it bears repeating that Internet providers must tell people about any restrictions on the speed or amount of data promised.” Other companies have similar requirements with respect to any material restrictions on their offers.

The settlement prohibits AT&T from making claims about the speed or amount of its mobile data – including describing it as “unlimited” – unless it clearly discloses any material restrictions in close proximity to those claims. The order goes into detail about how the disclosures must be made. For example, if the company makes the claim on a web page, the material restrictions must appear on that page itself, near the triggering representation.” Using links or pop-ups isn’t sufficient.

We’ve posted about the benefits and limits of disclosures before. (Click [here](#), for example). Disclosures can help to clarify a claim, but if the disclosure is necessary to prevent the claim from being misleading, putting the clarifying language in the fine print is probably not going to help you.