

Florida Attorney General Sues Company Over Free Trial Offer

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Florida Attorney General Bill McCollum [recently sued](#) a company and its affiliates over allegations the companies enrolled consumers in a monthly subscription program without the consumers' knowledge or consent. The AG alleges that the company advertised a "free trial" of their products and claimed that only a payment for shipping and handling was required. However, an investigation by the AG's office revealed that after consumers made this payment, they were automatically enrolled in a subscription program in which their credit cards were charged every month. Some consumers also reported that they were charged the full price of the products, even after canceling.

Companies that use trial offers to promote their products must clearly and conspicuously disclose the terms of the offers to consumers before consumers sign up and incur any costs. Among other things, a company must disclose whether there are any costs associated with the offers and whether a consumer has to cancel to avoid incurring future charges. Failure to clearly disclose this information is certain to lead to complaints from consumers and challenges from regulators. These challenges can often result in costly settlements. For example, last year the [FTC imposed a \\$7.8 million penalty](#) on a company that failed to adequately disclose the terms of its free trial.