

FTC Settles with Turn Over Alleged Privacy Policy Misrepresentations

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On Wednesday, the FTC announced that Turn, a California-based ad-tech firm, agreed to settle charges that it misrepresented its consumer tracking practices to Verizon Wireless customers. According to the FTC, such customers could not delete or turn off advertising identifiers because Turn synced multiple identifiers without reconciling user preferences or express user requests to delete or reset identifiers. This practice allegedly ran afoul of consumer choice provisions in Turn's privacy policy.

Specifically, the FTC's complaint against Turn alleges the following two violations of the FTC Act:

- Making Misrepresentations about Deleting Cookies. The privacy policy's description of cookies and web beacons (online identification mechanisms) stated that consumers could edit their browser options to "stop accepting cookies." Turn continued, however, to track certain customers who had exercised this option.
- 2. Making Misrepresentations about Restricting Tracking. Turn's privacy policy also linked to a Turn opt-out page, where consumers could allegedly opt out of tailored advertising. The FTC claims that this opt-out was deceptive because, although consumers could opt out of tailored advertising on mobile browsers, they could not opt out of tailored advertising on mobile applications.

Under the proposed consent order, Turn is prohibited from making misrepresentations regarding identifier-related consumer information. Additionally, the company is required to honor consumer controls and make adequate disclosures regarding targeted advertising and opt-out mechanisms. This settlement is another reminder that it is extremely important that privacy policies accurately reflect businesses' current practices, and that businesses honor representations about consumer choice.