UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:

Joseph J. Simons, Chairman Noah Joshua Phillips Rohit Chopra Rebecca Kelly Slaughter Christine S. Wilson

In the Matter of

Unrollme Inc., a corporation,

DOCKET NO. C-4692

COMPLAINT

The Federal Trade Commission, having reason to believe that Unrollme Inc., a corporation, has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Unrollme Inc. ("Unrollme") is a Delaware corporation with its principal office or place of business at 222 Broadway, 19th Floor, New York, NY 10038. Unrollme is a wholly-owned subsidiary of Slice Technologies, Inc. ("Slice").

2. The acts and practices of Respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

Unrollme's Business Practices

3. Unrollme provides two services to consumers to help them manage subscription emails, such as newsletters or marketing emails from retailers. First, Unrollme helps users unsubscribe from unwanted subscription emails, and second, Unrollme consolidates wanted subscription emails into one daily email called the "Rollup" that helps consumers minimize the clutter in their inboxes.

4. Unrollme has offered its services to consumers through its website, <u>https://unroll.me/</u>, since at least June 2012. It has also offered its services through the Unrollme iOS app since November 2015, and through the Unrollme Android app since October 2017.

5. During the sign-up process, Unrollme requires consumers to grant Unrollme full access to the email accounts that they wish to enroll in its services. This permission allows Unrollme to access and scan users' inboxes for subscription emails and to provide its services.

6. Unrollme then provides access to its users' email accounts to its parent company, Slice. Slice, a market research company, accesses Unrollme users' inboxes in order to collect information from the users' e-receipts, *i.e.*, emailed receipts from businesses following an order or purchase.

7. Specifically, Slice uses an automated crawler to identify an Unrollme user's e-receipts. Once the e-receipt is identified, the crawler captures and copies the entire body of the message, which Slice then stores until the user deletes his or her Unrollme account. Slice does not remove any personal or sensitive information from the body of the e-receipt before it is stored. This personal information can include, among other things, the user's name, billing and shipping addresses, credit card information, and information about sensitive health-related products or services or other products and services purchased by the consumer. Slice then uses a "parser" to extract data from the e-receipts and creates a separate database of anonymous purchase information that it stores in its Data Warehouse for use in its market research analytics products.

8. Prior to May 2017, Unrollme did not state anywhere on its homepage, in its "frequently asked questions" webpage, or on any screen displayed to consumers during the signup process (either via the unroll.me website or Unrollme's iOS app) that Unrollme or its parent company, Slice, would collect, maintain, or sell information from users' e-receipts.

9. Unrollme's privacy policy has disclosed that it may collect, use, transfer, sell, and disclose "data from and about [users'] 'commercial electronic mail messages' and 'transactional or relationship messages' (as such terms are defined in the CAN-SPAM Act (15 U.S.C. 7702 et. seq.)." While consumers were generally required to click a box and agree to Unrollme's terms of service and privacy policy during the sign up process, they were not required to view the privacy policy. Some of those who did view the privacy policy reported that they found it confusing.

Unrollme's Deceptive Statements About Its Email Access

10. After learning that Unrollme requires access to their email account(s) during the sign-up process, some consumers declined to grant that permission. When that happened, Unrollme made false and deceptive statements designed to encourage the consumer to grant Unrollme access to his or her email account(s) and continue the sign-up process. These statements changed over time.

11. From at least January 2015 through November 2015, Unrollme's message to consumers who declined to grant Unrollme access to their email stated,

"It looks like you clicked No thanks. In order to use Unroll.me, you need to tell Google to allow us to monitor your emails. *Don't worry, we won't touch your personal stuff.*"

(Emphasis added). The user was presented with an option to "CLICK HERE TO CONTINUE," and if the user clicked that button, he or she was redirected back to the sign-up process and asked again to grant Unrollme access to his or her email account.

12. From November 2015 through October 26, 2016, Unrollme's message to consumers who declined to grant Unrollme access to their email stated,

"Authorization Declined In order to use Unroll.me, you need to authorize us to access your emails. *Don't worry, this is just to watch for those pesky newsletters, we'll never touch your personal stuff.*"

(Emphasis added). Beneath this statement was a button stating, "Retry." If the user clicked "Retry," the user was redirected back to the sign-up process and asked again to grant Unrollme access to his or her email account.

13. From October 27, 2016 through at least September 2018, Unrollme stated,

"Oops! Looks like you declined access" "Unroll.Me requires access to your inbox so we can scan for subscriptions and allow you to begin clearing out your inbox."

Beneath this text was a button stating, "Retry Signup," and beneath the "Retry Signup" button was the statement, "Unroll.Me takes your privacy & security seriously." If a user clicked "Retry Signup," the user was redirected back to the sign-up process and asked again to grant Unrollme access to his or her email account.

14. Unrollme's data collection practices with respect to its users' email accounts were material to consumers and their decision whether or not to use Unrollme's services. Over 20,000 consumers changed their minds and decided to complete the sign-up process after viewing the messages in Paragraphs 11 and 12 above, and over 35,000 consumers decided to complete the sign-up process after viewing the message in Paragraph 13 above.

15. In addition, some consumers who were worried about the privacy implications of granting Unrollme access to their email inbox contacted Unrollme's customer support. In multiple instances, Unrollme responded to these concerns, which included questions about the meaning of Unrollme's privacy policy, by representing to these consumers that Unrollme would only access the consumer's email so that it could provide its subscription-related services—even though Unrollme's parent company, Slice, was actually accessing and collecting the entire body of consumers' e-receipts for the purpose of selling purchase information contained therein. For example, consumers received the following responses, in relevant part, that Unrollme was only looking at users' subscription emails:

"...we are not reading your personal emails or those that are sent to/by individuals. Our service only looks at the subscription emails that are associated with your account...."

"...Without being granted access into your account, there is no way for Unroll.Me to be able to rid your inbox of pesky emails you are looking to eliminate. With that being said,

our algorithm only looks for subscription emails and does not touch your private emails...."

"...Your privacy is our utmost concern. Our algorithm accesses your inbox to scan for subscription emails only...."

"...Unroll.Me is not able to see emails that do not fit our algorithm's criteria, which scans for a subscription-based emails only."

"... It sounds like you're concerned about privacy --Well, rest assured! Unroll.Me holds our users' privacy to the highest regard. We are not able to see the content of your emails and the only emails we filter are subscription-based emails...."

Count I

16. As described in Paragraphs 11 and 12, Unrollme represented, directly or indirectly, expressly or by implication, that it would not touch users' personal emails.

17. In fact, as set forth in Paragraphs 6-7, Unrollme grants access to its users' inboxes, including personal emails in the form of e-receipts, which is then used to collect and sell purchase information contained therein to third parties. Therefore, the representation set forth in Paragraph 16 is false or misleading.

18. The acts and practices of Respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

Count II

19. As described in Paragraph 13, Unrollme represented, directly or indirectly, expressly or by implication, that Unrollme required access to users' inboxes in order to scan for subscription emails.

20. Unrollme failed to disclose, or failed to disclose adequately, that Unrollme also grants access to its users' inboxes, including personal emails in the form of e-receipts, which is then used to collect and sell purchase information contained therein to third parties. This fact would be material to consumers in their decision to use Unrollme's services.

21. Unrollme's failure to disclose or disclose adequately the material information described in Paragraph 20, in light of the representation set forth in Paragraph 19, is a deceptive act or practice.

22. The acts and practices of Respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this Sixteenth day of December, 2019, has issued this Complaint against Respondent.

By the Commission.

April J. Tabor Acting Secretary

SEAL: