

## FTC fines fashion retailer for suppressing negative reviews

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The Federal Trade Commission has fined online fashion retailer Fashion Nova \$4.2 million, saying that for years it blocked negative reviews of its products from being posted to its website.



The agency said in a complaint Tuesday that the California-based retailer misrepresented that the <u>product reviews</u> on its website as reflecting the views of all purchasers who submitted reviews, when in fact it suppressed reviews with ratings lower than four stars out of five.

It said that from late 2015 until November 2019, Fashion Nova never approved or posted the hundreds of thousands of lower-starred, more <u>negative reviews</u>.

FTC says it's the agency's first case involving a company's efforts to hide negative customer reviews.

"Deceptive <u>review</u> practices cheat consumers, undercut honest businesses, and pollute online commerce," said Samuel Levine, director of the FTC's Bureau of Consumer Protection in a statement. "Fashion Nova is being held accountable for these practices, and other firms should take note."

The FTC also said that it's sending letters to 10 companies offering "review management services." It says the action serves as a warning that avoiding the collection or publication of negative reviews violates the FTC Act.

Fashion Nova called the agency's allegations against the company "inaccurate and deceptive." It said it never suppressed any website reviews, and immediately and voluntarily addressed the website review issues when it became aware of them in 2019.

"Fashion Nova is highly confident that it would have won in court and only agreed to settle the case to avoid the distraction and <u>legal fees</u> that it would incur in litigation," the company said in a statement e-mailed to The Associated Press.



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