

US agency sues Amazon for tricking customers into subscription service

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Federal Trade Commission Chair Lina Khan charged that Amazon tricked shoppers into its 'Prime' service at great cost.

Amazon tricked consumers into subscribing to its "Prime" service and intentionally complicated the cancelation process, according to a US

lawsuit against the retail giant filed Tuesday.

The Federal Trade Commission's lawsuit against Amazon includes four civil charges against the [company](#) over "manipulative, coercive or deceptive user-interface" and seeks a permanent injunction on the conduct, as well as monetary penalties.

The Prime service costs [shoppers](#) \$14.99 per month or \$139 annually in exchange for perks such as free shipping and access to Amazon entertainment shows and movies.

In the complaint, which includes extensive redactions, the FTC chronicles how Amazon screen prompts and discount offers route shoppers into the Prime program without providing "clear and conspicuous disclosures" regarding price and "the fact that it renews automatically unless the consumer affirmatively cancels," according to the complaint, filed in [federal court](#) in Washington.

The complaint also enumerated Amazon's onerous process for canceling Prime, which company have officials have reportedly nicknamed "Iliad," an allusion to Homer's text that references the intentional difficulty of the process.

"The Iliad Flow required [consumers](#) intending to cancel to navigate a four-page, six-click, fifteen-option cancelation process," said the suit. "In contrast, customers could enroll in Prime with one or two clicks."

The complaint notes that Amazon modified its cancelation process around April 2023 "under substantial pressure from the commission" ahead of Wednesday's litigation.

"Amazon tricked and trapped people into recurring subscriptions without their consent, not only frustrating users but also costing them significant

money," said FTC Chair Lina Khan.

"The FTC will continue to vigorously protect Americans from 'dark patterns' and other unfair or deceptive practices in digital markets."

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