

[Antitrust Law Daily Wrap Up, CONSUMER PROTECTION NEWS: FTC wins TRO against alleged unlawful scheme marketing pandemic cleaning supplies, \(Nov. 5, 2020\)](#)

Antitrust Law Daily Wrap Up

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By Nicole D. Prysby, J.D.

Unknown defendants allegedly operated websites designed to trick consumers into believing they were purchasing Clorox and Lysol products, in high demand due to the COVID-19 pandemic, when the defendants were unconnected to those companies and never shipped the purchased products.

The FTC has been granted a [temporary restraining order](#) against 25 counterfeit websites that allegedly have been playing on consumers' COVID-19 pandemic fears to trick them into paying for Clorox and Lysol products that the defendants never deliver, the agency has [announced](#). In its complaint filed in the federal district court in Akron against unknown parties, the FTC also requested permanent and temporary injunctive relief from the operators of the websites, such as [www.clorox-sale.com](#) and [www.lysol-clean.com](#). The defendants allegedly schemed to take consumers' money in the midst of the current pandemic by deceiving people into thinking that they were ordering cleaning and disinfecting supplies from websites owned by or affiliated with the manufacturers of well-known products. These products have been in high demand due to the COVID-19 pandemic, and consumers may have difficulty finding them available for purchase in their local areas. Moreover, the defendants made express references to the pandemic in their marketing. Not only were the defendants unconnected to these manufacturers, they never delivered the products. The TRO prohibits the defendants from representing that they are affiliated with, or authorized to sell products of companies, including but not limited to the manufacturers of Clorox and Lysol cleaning and disinfecting products and that they will deliver goods or services that a consumer purchased (*FTC v. Unknown Parties*, Case No. 5:20-cv-02494-SL).

Alleged cleaning product scam. According to the [complaint](#), the defendants use Internet engine, social media, and pop-up advertisements to bring consumers to their websites to order Clorox and/or Lysol cleaning and disinfecting products. In many instances, consumers who have visited defendants' websites believed they were on official websites owned and operated, or otherwise authorized, by The Clorox Company (TCC) or Reckitt Benckiser Group plc (RB), the manufacturers of Clorox and Lysol products. Many consumers discovered that they were not dealing with TCC or RB only after placing orders through the defendants' websites and providing their payment information. In numerous instances, consumers have reported that when they have attempted to go back to defendants' websites to check on order status they have discovered that the websites no longer exist.

The defendants have continued to perpetrate their scheme using new websites with different URLs but essentially the same design, format, and content, the agency charges. In numerous instances, consumers have attempted to follow established procedures to obtain chargebacks or refunds through the institutions that provide the payment accounts through which they paid defendants. However, the defendants' use of falsified shipment information has frustrated consumers' efforts to use these mechanisms.

The identities of the defendants are unknown. The defendants falsely represented that they have a mailing address in Ohio. They have no true affiliation with the Ohio physical address, but they have listed it repeatedly on their deceptive websites in the course of their scheme.

Claims and requested relief. The FTC brought claims under the FTC Act for misrepresentations to induce payments for cleaning supplies, and under the FTC's Trade Regulation Rule Concerning the Sale of Mail, Internet, or Telephone Order Merchandise. The FTC also requested such preliminary injunctive relief as may

be necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective final relief, including temporary and preliminary injunctions and an order freezing asset.

TRO. Separately, the FTC [moved](#) for an order granting an *ex parte* temporary restraining order with an asset freeze and other equitable relief (TRO) against the defendants. A TRO, argued the FTC, would (1) enjoin the defendants from making misrepresentations to consumers and taking consumers' money; (2) suspend the websites and advertising accounts used to carry out the scheme; (3) freeze the defendants' assets; and (4) require the defendants and third parties to preserve and produce records relating to the defendants' identities, business practices, and finances. The FTC argued that good cause existed to hear the motion without notice to the defendants, because of their ongoing actions to conceal their identities and locations. Moreover, providing advance notice of the proceedings to the defendants would likely lead to the dissipation or concealment of assets and destruction of documents.

The court's TRO enjoins the defendants from representing that they are affiliated with, or authorized to sell products of companies, including but not limited to the manufacturers of Clorox and Lysol cleaning and disinfecting products and that they will deliver goods or services that a consumer purchased. It also prohibits them from charging, billing, or attempting to collect payment from any consumer for the purchase of any goods or services through any of the websites at issue. The order also suspends the hosting of the defendants' websites at issue, enjoins their advertisements, and freezes their assets.

The case is No. 5:20-cv-02494-SL.

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