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Represents the largest trial award in a consumer protection case ever brought by the Washington State Attorney General

OLYMPIA — A King County Superior Court judge today ruled (https://agportal-s3bucket.s3.amazonaws.com/uploadedfiles/Another/News/Press_Releases/ComcastRuling.pdf) that multi-billion dollar telecommunications conglomerate Comcast violated the Consumer Protection Act more than 445,000 times when it charged tens of thousands of Washingtonians for its Service Protection Plan without their consent. Judge Timothy Bradshaw ordered Comcast to pay nearly \$9.1 million in penalties, in addition to providing restitution to tens of thousands of Washington Service Protection Plan customers.

“Comcast refused to accept responsibility for its egregious conduct that resulted in Washingtonians losing money every month for a product they did not want or request,” Ferguson said. “Instead of making things right for Washingtonians, Comcast sent an army of corporate lawyers into court to try to avoid accountability. My legal team demonstrated that we’re capable of meeting the world’s largest corporations in court – and winning. Part of my job is keeping giant corporations honest. Big or small, every business must play by the rules.”

The nearly \$9.1 million penalty represents the highest trial award in a state Consumer Protection case, even before including restitution.

While the Consumer Protection Division has recovered larger awards from multistate settlements and pre-trial judgments, a smaller number of cases are decided after a full trial. Previous to today’s judgment against Comcast, the largest consumer protection award to the state as a result of a trial is \$4.3 million, that was awarded to the state after a 2016 trial in Ferguson’s case against Living Essentials and Innovation Ventures over the company’s misrepresentations about 5-hour Energy.

The court found that Comcast added the SPP to the accounts of 30,946 Washingtonians without their knowledge, and did not tell an additional 18,660 Washingtonians the true cost of the plan. The court ordered Comcast to refund affected consumers, and pay 12 percent interest on the restitution. The amount of restitution is unknown at this time, but is expected to be significant. The court ordered Comcast to issue the refunds within 60 days and report to the state on the specific details and amounts.

“Despite Comcast’s systemic guidelines and policies, the practice of subscribing (Washington) customers without meaningful consent was widespread,” Judge Bradshaw wrote in his ruling.

Customer call recordings and internal documents show that not only were Comcast agents adding the Service Protection Plan (SPP) to accounts without customer consent, the company knew its agents were doing it.

Although it knew about the practice, known as “slamming,” Comcast made no changes to subscription practices until mid-2017, after Ferguson filed his lawsuit against the cable and internet giant.

Evidence also shows that when agents did tell customers about the SPP, they often misrepresented the cost of the plan.

Between 2011 and mid-2016, Comcast took in more than \$85 million in gross revenue from Washington alone in monthly charges for the SPP.

Ferguson originally filed his lawsuit (<http://www.atg.wa.gov/news/news-releases/ag-announces-lawsuit-against-comcast-more-100-million>) against Comcast in King County Superior Court in August of 2016.

In December of 2017, Ferguson amended his lawsuit (<https://www.atg.wa.gov/news/news-releases/ag-ferguson-s-lawsuit-reveals-comcast-deceived-customers-charged-service-plans>) to include new evidence revealing even more deceptive conduct than previously alleged.

At trial, members of the Attorney General’s Consumer Protection Division detailed Comcast’s illegal practices, and presented call recordings and internal communications that showed Comcast knew deceptive practices were occurring.

Adding the Service Protection Plan without consent

Judge Bradshaw agreed with Ferguson asserted that Comcast subscribed thousands of Washington consumers to the SPP without their consent.

Comcast was forced to provide more than 1,400 customer call recordings to the Attorney General’s Office. In at least 34 percent of customer accounts connected to the calls, Comcast added the SPP without their consent, sometimes after the customer had actively declined the plan.

In his ruling, Judge Bradshaw found that “34.4% of SPP telephone enrollees in Washington between July 1, 2014, and June 30, 2016, were enrolled without consent.”

Internal documents also show Comcast knew its call agents were slamming customers, and employees testified that they received customer complaints about the practice and reported them to the company.

One testified that he received so many complaints about the SPP being added without consent that he eventually stopped notifying management.

Misrepresenting the SPP’s cost

Call recordings and internal documents also confirm that, when customers did consent, Comcast agents often either failed to disclose or misrepresented the recurring monthly cost of the SPP.

For more than 20 percent of the customers in the call data, Comcast agents failed to disclose the SPP’s recurring charges. Most were told they were receiving the SPP for free, or free for a month.

Shortly before Ferguson filed his lawsuit, Comcast increased the monthly price of the SPP from \$4.99 to \$5.99. Comcast stopped selling the Service Protection Plan to new customers in May of 2018, before Ferguson’s lawsuit went to trial.

CPA Violations

In his ruling, Judge Bradshaw found the following number of violations of the CPA for these practices:

- 240,588 violations for signing up SPP customers without their consent
- 205,260 violations for failing to disclose or misrepresenting the recurring cost of the SPP

Assistant Attorneys General Daniel Davies, Seann Colgan, Beth Howe and Matthew Geyman, and Senior Counsel Peter Helmberger handled the case for Washington.

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The Office of the Attorney General is the chief legal office for the state of Washington with attorneys and staff in 27 divisions across the state providing legal services to roughly 200 state agencies, boards and commissions. Visit www.atg.wa.gov (<http://www.atg.wa.gov>) to learn more.

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