

**Anik Singal:** Welcome back to Don't Say That. Today, we're going to talk about the five common mistakes that Greg has seen on the variety of different FTC cases that come up in advertising and marketing law. We obviously know that there's a lot more, but we're going to focus on the five key ones.

**Anik Singal:** Right now. Boom. DontSayThat.com. Remember, the book is launching mid-February, but even more important is that the Compliance Summit is live right now. The seats are selling. This is going to be at the end of March right here in Washington, DC, three days live with yours truly and with Greg and other amazing people talking compliance.

**Anik Singal:** All right. Now here's the interesting thing about this event. Typically, companies already doing millions of dollars in revenue are the ones that are worried about the FTC the most. So it ends up being an Epic room of fantastic minds. And so if you want to come, if you want to bring your team. Go ahead.

**Anik Singal:** We have actually discounts if you buy multiple tickets, but we do have pretty strict space limits. We're going for about 150. We could go a little above that, but not by a lot. So the tickets are already flying off the shelves. So you got to go right now. Compliancesummit.com. All right. Now that I got the promo out of the way, Greg, what's up, man?

**Anik Singal:** So Greg recently had a surprise visit from a client who walked in. I've actually never been to your office. So I'm going to do that one day. I'm just going to fly to Utah and just walk into the office. So lots have been going on, Greg. I don't really have it right now.

**Anik Singal:** We're pre-filming. So we're actually filming this in early January and releasing it in late January. We won't be pre-filming so far in advance in the future. We just have some things going on. Some team members are on vacation. So we wanted to get ahead of it. But. You know, there's been a lot of buzz, Greg, in the industry.

**Anik Singal:** I know of a couple of people, I had someone reach out to me recently. No one ever wants to talk about the fact that they're being investigated by the FTC. I find that really intriguing because when I got my notice, I did not give a flying crap. I was pretty open about it, and so I had someone reach out that wanted help.

**Anik Singal:** They were like, hey, can I connect you to someone? They just got a notice. They're being investigated. Sure. Who is it? Oh, I can't say. I'm like, well, I can't talk to someone, so I know who they are. And I know of one person, apparently there's someone I know very well. You've alluded to a couple of people.

**Anik Singal:** Because, by the way, guys, also Greg doesn't like to tell me anything, like all the personal stuff. Because attorney-client privilege. And so I have no idea what crap he's working on. But there are other things going on in our industry, Greg, right?

**Anik Singal:** Like, it's not like things have died down. The FTCs focus on this space is continuing to deepen. Am I correct?

**Greg Christiansen:** No, I mean, they're definitely looking at all of this. We talked about it earlier, I mean, in January and December, they were super active, and that I don't foresee that they're going to slow down in 2024 at all. I mean, there's going to be a lot of different actions brought against a lot of different organizations.

**Anik Singal:** We just all need to pull together our money and send them on a nice vacation somewhere for like a few months. I'm kidding. That's where we would go, not them. So, there are definitely things in the air.

**Anik Singal:** There are definitely things moving. I know I've been seeing a lot more uptake even if like, well, maybe I'm seeing it because I'm. But the class action lawsuits are picking up, and just like, I don't know, I think consumers are getting

more wise to marketing practices and a lot of state laws are starting to move towards the FTC.

**Anik Singal:** And then there was a case recently where the FTC actually, for the dealership one in Connecticut, joined forces. As if it's not bad enough to have one government coming for you, this is two of them. I guess the point I'm trying to make everybody is to button up, and tighten up, right? It's not getting any better anytime soon and the regulations and the things are being, you know, they're, they're going after them.

**Anik Singal:** So let's jump in, Greg, what are five of the most common things? You look at so many people's marketing, you read every single case and press release. If you had to rattle off the top of your head, five things that you see people go down for the quickest.

**Greg Christiansen:** Number one is the use of earnings claims.

**Greg Christiansen:** We've talked about this a lot. If you go back to the last 10 years of cases against companies in this space, The number one cause of action is unsubstantiated and/or false earnings claims. Substantiated meaning, it may be a true statement, but I don't have the documentation necessary that the FTC would say is necessary to prove that it's true or false.

**Greg Christiansen:** And it's anything away from the old landing pages that used to show the picture that was scrubbed off of Google images of a really attractive woman showing that she made \$10,000 in one month, but with her name etched out, right? We all remember somebody saying, "Hey, if you join my program, you're going to make six figures in 60 days."

**Greg Christiansen:** Or the most common of these: having a testimonial page where it's just like testimonial after testimonial or case study - like some people like to call them - which means nothing to the FTC. They think it's a testimonial where they're like, "Hey, I made \$5,000 in two minutes and I made \$10,000 bucks in one week."

**Greg Christiansen:** That seems to be the number one reason why companies come under the auspice of the FTC or other regulatory bodies is they make these egregious or really large, strong claims, and in doing so, it draws the attention of the commission. And once you have their attention, they start to pinprick everything else.

**Greg Christiansen:** But I would say the number one thing is earnings claims. Either express, meaning you join this or this product or service and you're going to make six figures in six weeks, or imply, look at Bill and all these testimonials that have made hundreds of thousands of dollars. Be like them if you join our service. So I would say that's the number one.

**Anik Singal:** And you said unsubstantiated, but what was interesting to me as we went through review and as I've learned more from you, is that even if it is substantiated, it doesn't necessarily mean you can just throw it around and use it everywhere. I have had a couple of years where I've made millions upon millions, but obviously not the last one or two years we were dealing with the FTC.

**Anik Singal:** Our business was slowed down a lot. And for me to go out and say, here's how I make \$4 million/year. And I have the tax proof, the screenshots and everything. Talk about that because that also is not kosher. You can't say that, which sucks. A lot of people have issues with that. They get upset about it because they say, well, it's true. If it's true, why can't I say it? So let's talk a little bit about that.

**Greg Christiansen:** There are four primary elements you should have whenever using somebody else or yourself. The number one is, if it's somebody else, you have a proper release and authorization to use that statement, and hopefully, it's an affidavit or something that says on penalty of perjury that they admit or they agree that the information I'm providing is true and accurate.

**Greg Christiansen:** Number two is whatever the claim is, whether it's they flipped a house for \$60,000 profit, or they are an affiliate marketing guru, and they've

made a million dollars off affiliate marketing, whatever it is, you need to make sure that you have the documentation necessary to support that claim. If the only thing you're getting is you're scrubbing off Trust Pilot or Facebook, "Hey, this person posted this on this page," and then you put it on your website, there's no documentation.

**Greg Christiansen:** The fact that they posted that. I'm going to let you know a little secret. Not everything on the internet is true. I know. I know.

**Greg Christiansen:** So the FTC looks at that too, right? So somebody posted because they want to look really good. They've got their 10-year-old picture on MySpace or whatever.

**Greg Christiansen:** They want to impress people on whatever. But they say a statement on Facebook or on Trustpilot. Because they want everybody to think they're the bomb, right? But in actuality, they're just an influencer that's fake, right? There, there's nothing behind it.

**Greg Christiansen:** They're broke. So, in order to show that the statement is true, you'd have to go to that person and get the documentation, which would be external from what their statement was to prove that what they said independently was true, like having an analysis or an auditor go through that and verify, "Hey, this statement is true because of X, Y, and Z," which is independent of what they said.

**Greg Christiansen:** I've looked at the statements. I've looked at the checks. I've looked at the credit card statements or whatever it is. And I can show independently that that is a true statement. Now, that's number two. Number three is the statement has to be typical. It can't just be one of those things where it's like, here's Bill and he made a million dollars.

**Greg Christiansen:** We can prove that he did, but you know that nobody before or after has ever done what Bill did So by using Bill as an example, we're trying to portray to the world that this is the typical result that you're going to get if you

join our product and service when Bill isn't typical. He's atypical. He's an outlier, right?

**Greg Christiansen:** I don't recommend monetary claims, just so you know, but if you are the clients that do it the best are the ones that are like, "Hey, listen, let me show you how you can use this product or service. And then they have somebody they share an example that made a few hundred dollars to a thousand bucks."

**Greg Christiansen:** And then it's like, this is how it works. And it still knocks it out of the park, but if you're going to use it. Say, forget it, Greg. I don't care what you say. I want to use earnings representations in my stuff. Then use something that's typical of what the other customers experience.

**Greg Christiansen:** If you sell a product and you know, because of the data analysis or surveys you're doing, that most clients that come into your door make 10 grand doing what you're doing. And you've got the documentation for every testimonial I've said, that's independent, and you've done surveys and you've.

**Greg Christiansen:** You've reached out to people and tried to figure out what's happening. Then maybe you can say that it has to be something that the typical experience of the customer should expect to have that customer should expect

**Greg Christiansen:** So anyway, the last of these is a proper disclosure, which everybody thinks, Oh, I can say what the hell I want. And I'm going to put a disclosure on it, and it's good to go. That's not the case. You have to have authorization. You have to have substantiation, which has to be typical. And then, if you have all of those, you can give a disclosure saying, May not be typical background, education, experience, effort, application may be different from yours.

**Greg Christiansen:** Same sample, not a guarantee. Your results could vary, right? Some proper testimony. I'm not saying that fits. That language fits for everything, but it discloses, and here's the key. The disclosure has to be proximate and

predominant to the statement or if it's in a video or written text or audio, whatever they have to be able to hear or see when the claim is being made.

**Greg Christiansen:** I had a client back in the day, and what they did is they made it this superscript. Nobody could read it, or here's another one. It's in the middle of the webinar. And they want to show it. They want to have a chart that talks about the potential earnings of this program. And they want to put the disclosure, but they put it up there for half a second.

**Greg Christiansen:** They're talking about this with the chart for five minutes. They put it in there. I just saw it. And I laughed. I had to slow it down so I could read what it said. And then I was like, this isn't legit. It must be read and seen proximate or dominant to the statement being said.

**Greg Christiansen:** So if you combine that all together, then you can share a true and accurate story with substantiation with proper disclosure.

**Anik Singal:** And your own story, you did tell me. So guys, we're still on number one of five.

**Anik Singal:** Number one is just talking about earnings claims and using stories and earnings claims of yourself or testimonials. And I do in a few of my pages, I have reported my results which are backed up and substantiated. They're true. But what I really liked, Greg, that you shared and taught me that I want to share with everybody is I'm definitely not using those numbers.

**Anik Singal:** To say that anyone else is gonna have those results, as a matter of fact that wasn't even the purpose of using the numbers. The purpose of using the numbers was to express my credibility in that subject. And so what Greg taught us was then you've got to add major context. So you can't just throw that number out there and run away.

**Anik Singal:** You've got to introduce it. Then you've got to kind of throw context behind it and be abundantly clear that hey, I am only sharing this with you

because I want you to know that you're talking to someone credible, but I'm going to virtually guarantee you that you're not going to get these results because I've been doing it for 10, 15 years.

**Anik Singal:** And so do not look at it from those eyes. Some of my copy like says that like I'm actually being really direct and putting it in big, very viewable text. And I think that made sense to me. So it's like, you don't have to hide everything you've done, but you have to ask yourself, what is the purpose of what you're saying?

**Anik Singal:** If the purpose is to create this false impression, then you know the answer: to build credibility and give the context. And that has helped a lot. It's made me able to share what I wanted to say. And the sales pages, just everyone knows the sales pages on these offers where we're keeping them compliant as heck are great.

**Anik Singal:** The conversion rate from cold traffic is four or five percent. Dare I say, sometimes I wonder if the conversion rate is actually better than it would have been with the hypier version. So, it works. But in the interest of moving things along, so number one, claims, earnings claims.

**Anik Singal:** What's number two?

**Greg Christiansen:** Well, once you get past and you've got the attention of the FTC, they start looking at everything else you're doing, right? And so one of the biggest risks I see for 2024 with all the changes that they're doing with the FCC and the Telephone Consumer Protection Act or the TCPA.

**Greg Christiansen:** Is going to be proper opt ins. I just had it this week again, and it just amazes me that people are not getting proper consent from their clients to even contact them. And then they use a whole bunch of automated systems to reach out to clients they're not authorized to do, like ringless voicemails without consent or robocalls without consent.



**Greg Christiansen:** Or even giving some third party the ability to contact them. So number two is proper opt-ins, having the proper language to get the consent necessary to contact them. Because if they don't, you're going to be in violation of the Telephone Consumer Protection Act, which has components that you're going to be in violation of, like the do not call registry.

**Greg Christiansen:** And it just opens up a cluster. Anik, it has two big issues. Number one is. FCC can come in, and they can sue you. You don't want to play with a 3,000-pound gorilla. They'll rip your arms off.

**Greg Christiansen:** You understand that, right? They rip your arms off and beat you to death. A couple of years ago, we were in Orlando. We're in Disney World with my family, and I'm there, we're in Animal Kingdom, and there's, we're past the little nature walk, whatever it is, and there's these gorillas, and there's a big silverback that's up there, and I'm there with like, a hundred people, and we're all up there.

**Greg Christiansen:** This gorilla points at me, and starts throwing poop at me, and like, screams, and starts beating its chest. I look around at my wife, I'm like, why me? Why, there are all these other people, and he's picking on me. Like, everybody's looking at me like, what did you do? That's like the FTC. When they look at you, it's like the silverback gorilla is ready, and he gets you, he's ripping your arms off, and he's beating you to death with your arms.

**Anik Singal:** I just want to be on the record. If the FTC is watching, these are not my words. These are Craig Christiansen's words. Hey, they should be. I say you guys are nice and professional.

**Greg Christiansen:** Their attention is looking your way and you don't have a proper opt-in. You've got the federal government, but you also have class action attorneys just waiting for you to make a mistake.

**Greg Christiansen:** In the last six months, clients have forwarded me at least half a dozen little things here and there, from arbitration requests to lawsuits from class action attorneys for violations of not getting proper opt-ins for the Telephone Consumer Protection Act. Because a lot of states have their own laws, like California, Florida, and New York, and if you don't abide by those laws, it opens a private cause of action.

**Greg Christiansen:** What does that mean? It means an individual, not a government entity, can sue you for that and they extrapolate that to say, let's go and file a class action against you. And if you don't have like some sort of class action waiver or something in place to prevent that, then you're going to be in trouble. But here's the issue.

**Greg Christiansen:** Having an opt-in relates to terms and conditions and privacy policies. You can embed certain waivers for that. But number two, I would say is improper opt-ins for communicating with people or giving your data for clients to a third party without proper authorization.

**Anik Singal:** And it. It's so crazy because that is something that is in such in control of the company, of the business center.

**Anik Singal:** I mean, you can spend an hour and fix all that. And then not have to worry about it. One of the five key places where the FTC or other agencies come after you. So we just addressed 20 percent of your fear by spending less than an hour, which is something that someone should do right away.

**Anik Singal:** Now I can hear people listening. How do I get it done? How do I do that? Go to [GuardianLaw.com](http://GuardianLaw.com) and tell them Anik sent you. All right. So what's number three?

**Greg Christiansen:** So number three is the improper use of subscription statements. Or subscription fees. So when you've got somebody coming in on the website, and they think that they're getting some sort of continuity or free trial offer and they're not going to be charged, but it's embedding within it once they

sign up for the free trial that they're going to be charged X amount of dollars every month.

**Greg Christiansen:** That's called ROSCA everybody, it's Restore Online Seller's Confidence. I know that's kind of an interesting name for a statute. And the Congress is getting together like, I don't know, Bill, what should we name this? I don't know, let's Restore Online Sellers' Confidence.

**Greg Christiansen:** Okay, let's do that. Let's call it ROSCA. Anyway, so that's the name of it. I don't know why I have a redneck accent. I love rednecks, just so you know. So this is for all you rednecks. I love you, but like it's the voice I hear in my head when I think of Congress coming up with like the names they do

**Anik Singal:** The only person who can get an FTC compliance podcast canceled by episode 6.

**Greg Christiansen:** I'm sure I listen I love my family's from Alabama, Mississippi, right? Okay.

**Anik Singal:** Okay. Hold on. Hold on. I got to disclaim this for all those rednecks out there. I just want to make sure it was Greg's words, not mine. Do not cancel me.

**Anik Singal:** So, let's talk about ROSCA since you and I started working together. I've only seen one case where ROSCA was a big thing. Where is the recurring stuff is that active? I'm seeing a lot of telesales.

**Anik Singal:** Did they clean up the Roscoe side and are taking a break on it?

**Greg Christiansen:** No, they just, what they're doing is. If you even look at the WealthPress case, that's the one you're looking at, right? Yeah, that was the one, yeah. The very first thing they were talking about was earnings claims, unsubstantiated and false earnings claims.

**Greg Christiansen:** That's what got their attention. But then when they do the investigation, they start picking through the poo of everything else. So, my guess is when they were working with WealthPress, they didn't look at it for ROSCA. But when they got the information back on the discovery side of the CID, they were like, wow, they're not giving proper disclosures on this.

**Anik Singal:** Well, even mine. So they came for us based on statements made in webinars. At that time, it didn't even sound like they knew that there was a telesales operation, but as part of the CID that gets revealed, and then you could tell, 30 or 40 percent of the way through the case, it was like, "Ooh." It was like they all of a sudden didn't even care about the substantiation as much.

**Anik Singal:** They were just like, bam, give us everything you've got on your telesales stuff. And that's where the case ended up being as well. We've talked about this before, but there are easier to reach laws that they can utilize right now. All right. So, we've gone through earnings claims.

**Anik Singal:** We've gone through the proper terms and conditions. Correct opt-ins. Greg, by the way, I think opt-in as a marketer, I just think of an email opt-in but you're talking about just across the board. Like if they give you the phone number, email, or any other form of communication and you're going to reach out to them.

**Greg Christiansen:** Yeah, anytime the customer is authorizing you to contact them in any medium, I call that an opt-in.

**Greg Christiansen:** Number four on this is going to be what I call selectivity qualification. So, this is the Response case that was settled in May. So that case was a \$1.3 billion case when it started, but through litigation, everything else, the U.S. Supreme Court ruling, and AMG capital management, that case dropped from 1.3 billion to like \$50 million in telemarketing sales.

**Greg Christiansen:** That's what it came down to, but the violation that they were really arguing about under the TSR, the Telemarketing Sales Rule, which is section 19, of the FTC Act, you go look it up.

**Greg Christiansen:** What they were really looking at for that was a misrepresentation based upon a qualification or selectivity. So when Response, which was a real estate company that taught individuals how to invest in real estate, when they were selling to people over the telephone or in person, they would say, "Hey, we don't work with everybody. We need to make sure that you meet certain criteria."

**Greg Christiansen:** And the criteria was that they wanted you to go through and explain that you were in a financial position to be able to invest in real estate. The FTC argued that the reason they were asking had nothing to do with that. They were trying to find out if they had money, and if they had money, they would sell it to everybody.

**Greg Christiansen:** Response's position was no, not true. We wanted to ask them that question because if they're limited, like, come on, FTC, you've got this last dollar rule that says we can't sell somebody without money, but then we're getting in trouble for asking them about if they have money. So there was some argument about that.

**Greg Christiansen:** And they really said, well, we're asking him because if you get into real estate and you don't have money to invest in real estate. Then really, it's kind of an ineffective exercise, right? You're paying for education and training, but you can't actually invest in the underlying product that you're trying to learn about, And so, I don't know how that argument was going to wind down because they settled before they went to the five-week trial scheduled in May of last year. So I kind of liked the arguments.

**Greg Christiansen:** I would have loved to see that litigated out but the main issue was this qualification or selectivity, like you got to meet certain qualifications to

participate within our program. Now, assuming Response was right, and then whatever they said was right, and that they would approve that in court.

**Greg Christiansen:** There are so many companies out there that do not use it correctly. Oftentimes I'll see clients who will say like, "Hey, we need to have an interview. I need to interview you to make sure that you qualify for the program we're offering. And it's not for everybody. We have limited capacity. We got to make sure that you will fit our mold. And if you don't, and you need to convince me of it, then we won't let you purchase."

**Greg Christiansen:** When it's all a game, it's, it's false scarcity. It's false selectivity. You're creating an impression that they have to be hired by you and they have to do well, or they can't do the course when, in effect, as long as they have money and can buy, you're going to sell it to them, you know, as long as they can pay, they want to, you're going to sell it to them.

**Greg Christiansen:** So the FTC doesn't like that because it creates a false sense of urgency. That's based upon a misrepresentation. That's the whole idea under section five of the Federal Trade Commission Act, which is deceptive advertising practices. And they think having some sort of selectivity, it does that it creates.

**Anik Singal:** We had a page. I remember we went back and forth.

**Anik Singal:** Now, of course, this was during the investigation. So the eyes were even more on me, but we were running an event called Expert Summit. I still hold to the fact that you did have to qualify to come because we were looking at some metrics. You had to have X amount of revenue, you had to have been in business for X amount of time. You had to be a certain type of business. There were only three types that were allowed to come. And so, on the sales page, we had a little button that said "apply now." And immediately, you caught that and said, I don't like it, change it. And I was like, well, but they are applying.

**Anik Singal:** And there are some rules about how you come in, and you asked me two questions. I remember, which made me go, "Oh, wow. Okay." You're number

one. Are you confirming? Are you making them prove to you? Yeah. Sure. They have to have half a million dollars a year in revenue, but are you taking my word for it?

**Anik Singal:** Or are you making them prove it? And I was like, no, we're taking their word for it. You're like, all right, great. Then someone could just lie and get in, and you're not really qualifying them. Very interesting. And number two was. Crap, I forgot number two, but, number two was, are we substantiating and confirming? And so I think in the end, we went back, if I remember, this was a huge thing. And we simply changed it to "request free seat." And it was fine. There was not a like of difference to the conversions.

**Anik Singal:** And it worked great. And nobody's ever even noticed it. The false qualification selectivity, as you call it, I, I see it everywhere. It's rampant. In our space, it's just rampant, and I'm guilty as charged guys. I would do it on a webinar, too. I remember now going back, I don't know if I did it anytime recently, but I remember, you know, as part of pitching, it's like, Oh, this isn't for everybody.

**Anik Singal:** Like blah, blah, blah. It's like, well, but if you're in a one-to-many situation, how the hell am I actually confirming that it is for you? Right. How am I even possibly doing it? You're going to a page and buying. So, all right. Number five, what's the fifth most commonly seen takedown?

**Greg Christiansen:** Bonus stacking. This is the whole thing with the hidden fees stuff that they don't like in this new cars rule that they've got. It's the whole idea that you're creating an impression that the value of something is so much more than it is.

**Greg Christiansen:** Right? I just had it again this week. I was going through a bonus section in a webinar, and they're like, "So how much are you going to get? Normally, this goes for \$10,000. But today, we would sell this for this, but we're not even selling it for that. We're going to sell it for this."

**Greg Christiansen:**? The key is on this again, is transparency. If you have sold that product and service for \$10,000, there's nothing wrong with saying, Hey, we used to offer this for \$10,000, but if you buy today, you can get it for a thousand.

**Greg Christiansen:** Nothing wrong. The problem with most bonus stacking is they're just like, "Bill, what should we make this price today?" And they're like, "I don't know. \$10,000?" And then they're like, "We've never sold it for \$10,000. Never been offered \$5,000." And it's a misrepresentation. It's like it's false. And I get this all the time on it.

**Greg Christiansen:** Well, they always do that in the retail world. Macy's, Kohl's or Dillard's. And they say, "Hey, this is worth \$200, but today it's 50 percent off." Why can't I say that? Because they've sold that shirt first. Probably for \$200. Number two is they're not in the same space you are.

**Greg Christiansen:** They're not looking at Dillard's, Macy's, and Nordstrom's like they're looking at you. There's just more scrutiny for these types of offers than there is for a retail offer.

**Anik Singal:** It makes sense. I don't know why it makes it sound so bad when you say it the way you say it.

**Anik Singal:** So here's a question for you off the topic, during black Friday, especially this past Black Friday, 2023. There were a lot of videos, super viral all over YouTube and everywhere, where people were going up to the price displays at Target, at Best Buy, at like really big retailers.

**Anik Singal:** And it showed Black Friday special \$29.99. And they were picking up the sleeve and behind it, it showed the price that was not the Black Friday special \$29.99. So it was the same price two days ago, they just slid in another thing. It was all over the place because it was being reported everywhere.

**Anik Singal:** And in some cases, it was worse because what it would do is say \$29.99 was the price it used to be, but the thing they slid in said Black Friday



special 50 percent off. Technically, that is a violation. So are you telling me that companies like Target and Best Buy aren't big enough, even though the FTC goes after Amazon and all these other big players?

**Greg Christiansen:** They could be potential targets if that's true. I don't know. I didn't see any of that. I think it opens them up to consumer protection, right? It's all about where they want to focus. Listen, when you go and buy a shirt or pants for twenty dollars or thirty dollars at Walmart or Target or wherever, and there is a slight misrepresentation, your damage is 20 bucks. Which they could probably take back, and I'm not justifying it.

**Greg Christiansen:** I'm just explaining that from their mindset, this is different than somebody coming in and buying a coaching package for \$30,000. And the promise and expectation is that they're going to make six figures in six months when nobody ever in the existence of that company has ever made six figures in six months, but that's what's been represented to them.

**Greg Christiansen:** They look at it differently. And so the bonus stacking to get them into that type of offer versus because the way I see mostly bonus stacking is for upfront lead gen offers. Right where you're trying to say the value is ten thousand dollars when you get it down to two thousand and that's not your end offer, right?

**Greg Christiansen:** They come in, they buy, and then get sold something off of telemarketing or a webinar where it's 10 or 15 or 20,000. So you don't see as much bonus stacking in there. You do, but not as much. But you don't see that at a retail store, right? You're going to go and buy a shirt at Nordstrom's. If you don't like you take that, so they think there's a mitigation of those.

**Anik Singal:** Did you see this yet? The Hershey's lawsuit in Florida. It's five million dollars for the Reese's. It's far more stupid than that, and I'm very curious to see what's going to happen with it. So during Halloween, the picture of the Hershey's Reese's pieces showed a smiley face a little smiley evil face on the peanut butter

cups, but when you opened it and pulled it out, there was no smiley face on the peanut butter cup.

**Anik Singal:** And so this is a 5 million lawsuit that has been filed for false advertising. You can see it right now. Go, go Google it.

**Greg Christiansen:** Hershey's false advertising. Women's shoes, Hershey's or Reese's peanut butter pumpkins packaging. Not being cute. Well, there's frivolous suits all the time.

**Anik Singal:** So what happens in this case?

**Greg Christiansen:** Either they're smart, or they're a-holes. There's this guy in San Diego who is a class action attorney. He just. He and a buddy of his just buy into every offer that's out there. And then, as soon as they see a violation, they file a class action lawsuit. And the guy, in one case, made like \$2 million. I've talked to other friends who are attorneys. I'm the dumbest guy in the world.

**Greg Christiansen:** I know how this all works. I could do that day and night. Now, I lose all my clients because they'd be like, "You're just the attorney that switched sides and sued all of us." But there are attorneys that are out there who make a very good living. Back in the day I represented a company that did live events across the United States. With the American Disabilities Act, the ADA, one of the requirements when you're doing an event at a hotel or whatever, you have to make reasonable accommodations under the ADA. And so, we had this group of people who were deaf. They would go around, they would show up and say, where's my sign language version?

**Greg Christiansen:** They would file a claim and would do a shakedown from \$5,000 to \$10,000 for transactions and companies across the United States for various reasons. If they were doing these live events, they would just pay it. They would just pay it because the price of litigating that would be too much.

**Greg Christiansen:** This is a risk you take. It's not always the government. It's not always class action attorneys. This could be the risk, too. Like you do something and you get the ire of a few dozen clients that all want their money back at \$30,000 to \$40,000 per clip. That's a decent case you're having to defend against.

**Greg Christiansen:** And my guess is that this attorney who's filing it is looking for publicity and a quick hit. My guess is Hershey has insurance. My cousin's an ER doctor here in Utah, and I talked to him all the time. He had a case where a lady was a professional plaintiff, would go in and bring malpractice suits all the time, and he was the unlucky ER person that got her one day, and then she turned around and sued him for malpractice.

**Greg Christiansen:** Four years of litigation, and they wouldn't settle. The insurance company wouldn't settle because they already settled with this lady for like half a million dollars on two other cases. Four years of his life went into litigating that case. They won, but it was four years of his life and he was just miserable over it.

**Greg Christiansen:** He's like, you attorneys just suck. And I was like, I get it. But there are attorneys that are like this. They'll bring this racist case, or they'll bring other cases just because they want to see if they'll get a quick shakedown for it. And if you're doing things not correct. Any of these five things you and I just went through on a regulatory side, there are causes of actions for private citizens to bring cases and class actions for.

**Greg Christiansen:** So maybe you got the class action waiver, but you got five students that you've sold \$50,000 packages to. So they come out for you, and they're like, "Hey, let's litigate this." And they don't want just the \$250,000 that you've received. They want all their other losses and punitive damages.

**Greg Christiansen:** So now they're asking for 5 million over \$250,000 worth of sales. And you got to deal with this BS. Well, any of these things that I just mentioned could be a civil suit you're dealing with as well.

**Anik Singal:** So this is a big part of why I settled with the FTC. At one point I was pretty upset about some of the things that I didn't feel like was the most fair process.

**Anik Singal:** I remember you and Michael both called me and you had an intervention where you're like, look, you've got to calm down. Let's settle this thing because the alternative is multi-years, multi-millions. Can't move on. Can't go to do what you're doing.

**Greg Christiansen:** So the exact thing I might have said is that I would love to take your money and litigate the hell out of this case.

**Greg Christiansen:** But at the end of the day, you might pay me a lot of money and still have to pay the FTC. Not to say you would, 'cause I had some good arguments, right? But say you lost, right? And then you pay all this money for attorney's fees, and then you still have to pay. I'd rather try to figure it out. If we couldn't, dude, let's go to war.

**Greg Christiansen:** Let's go to war. But, oftentimes, when that 5,000-pound gorilla's there, and we're looking to rip your arms off, it's like, do you do that? There are people going, the guy, you know, from Grand Canyon University after they got sued, was like, "Hey, we're going to war." At the end of the day, let's watch that.

**Greg Christiansen:** Let's see what happens in the next two years with that case. Whether or not they litigate it forever or if they settle, you make business decisions.

**Anik Singal:** Yeah. A lot of times, it can be emotional. If anyone hasn't watched episode number one of the Don't Say That podcast, I go through my story.

**Anik Singal:** It's about a 50-minute long episode. I tell you the whole thing from start to finish, how it went. And what I say in that, and I stand by is for you or me or anyone being investigated by the FTC or sued, it's a huge thing. It's the biggest thing in your life at that time. And I got my notice three weeks after my first child was born.

**Anik Singal:** It's still in my mind sometimes the biggest thing because it's just such a, to use his analogy, 3,000 or 5,000-pound gorilla. But on the other side, on the FTC's side, it's just one of many things. It's just business as usual? That's what makes the 3000-pound gorilla. They're not in a rush.

**Anik Singal:** They've got unlimited resources, bandwidth, time, and energy. You, on the other hand, are fighting to survive and protect your business, worrying about your reputation, worrying about the investigation, and spending all that money on legal fees. So, anyway, we understand why people settle.

**Anik Singal:** Greg, I've taken enough of your time. It's been a great episode, guys. Remember the five, okay? Go back, listen, store it, and of course, if you want even more and want the full shebang, The book has a lot. We also have an academy. Go to [dontsaythat.com](https://dontsaythat.com) and grab the book. And then also, of course, see us at the Compliance Summit, go to [compliancesummit.com](https://compliancesummit.com).

**Anik Singal:** Everything is in the show notes as well. The links and all. Go to [dontsaythat.com](https://dontsaythat.com), and all the links will be there. Get your tickets to the Compliance Summit. Let other people know about the Compliance Summit because it will sell out. That's a guarantee. The last one we sold out the first time, the beta one that we ran, we had about 60 people.

**Anik Singal:** It was 12 days that the tickets were gone. So, I'm not creating fall scarcity. We have physical limitations to the room. I'm going in three days to visit the hotel. So whatever they tell me, I can see and take that's how many tickets we'll sell.

**Anik Singal:** [Compliancesummit.com](https://www.compliancesummit.com). Greg as always. Thank you, my friend. Thank you so much for joining us, and we'll see you next time.