



Portfolio Media, Inc. | 860 Broadway, 6th Floor | New York, NY 10003 | www.law360.com
Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | customerservice@law360.com

Google Falsely Promised Free Marketing Service: Suit

By **Greg Ryan**

Law360, New York (January 18, 2012, 8:17 PM ET) -- Users of a now-defunct Google Inc. marketing service launched a putative class action Friday in California claiming the search giant charged users for a supposedly free trial period and held onto credit card information after the service was shuttered.

A complaint filed in federal court by North Carolina residents Rachel Frezza and Mauro Rodriguez targets Google Tags, a service that allowed business owners to place a yellow tag containing photos and other special content next to a Google Places listing. Google discontinued the service in April.

The company normally charged users of the service \$25 per month for each business listing, the complaint says. But under a trial program it started in July 2010, Google led users to believe they could use the service, for one or more listings, free of charge for 30 days, though it still required users to give the company their credit card information, according to the complaint.

However, at the end of the trial period, users discovered Google had charged them for use of multiple tags, the complaint says. When pressed on the charges, the company allegedly said the offer was only a one-time, \$25 discount.

"In offering this promotion to businesses in simple and straightforward language, Google gave these merchants every reason to believe that they could try Google Tags without financial risk or obligation," the complaint said. "This service, as consumers learned the hard way, turned out to be anything but free."

Google kept users' credit card information on file after Google Tags was ended, telling customers that the only way they could delete the data was by canceling the card or giving the company information from another card, according to the complaint.

"Plaintiffs' sensitive, proprietary information remains needlessly stored among Google's electronic billing records, exposing these plaintiffs to an elevated and very real risk of fraud, identity theft and catastrophic financial loss," the complaint said.

Frezza and Rodriguez seek compensatory, statutory and punitive damages. Their complaint includes claims for breach of contract, breach of implied contract, and violation of California's Consumers Legal Remedies Act and Customer Records Act.

Two proposed classes are included in the suit. The first class consists of all those in the U.S. who were charged for a supposedly free 30-day trial of Google Tags. The second class consists of all those in the U.S. whose credit card information was retained by Google after their supposedly free, 30-day trial of Google Tags closed.

Frezza and Rodriguez estimate that thousands of business owners belong to the proposed classes.

Frezza and Rodriguez are represented by Joseph J. Siprut and James M. McClintick of Siprut PC and Todd C. Atkins of Atkins & Davidson APC.

Counsel information for Google was not immediately available.

The case is Frezza et al. v. Google Inc., case number 12-cv-00237, in the U.S. District Court for the Northern District of California.

--Editing by Lindsay Naylor.

All Content © 2003-2012, Portfolio Media, Inc.