UNWANTED TEXTS, UNWANTED TROUBLE: LG's Labor Day Discounts Come with a Price

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Greetings, TCPA World!

Don't change the channel. LG Electronics U.S.A. is central to a federal class action lawsuit over its 2024 Labor Day promotional campaign. See *McGonigle v. LG Elecs. U.S.A., Inc.*, No. 1:25-cv-51 (E.D. Va. Jan. 11, 2025). Filed on January 11, 2025, in the U.S. District Court for the Eastern District of Virginia, the lawsuit alleges that LG violated the TCPA by sending unsolicited marketing texts to consumers whose numbers were listed on the National Do-Not-Call ("DNC") Registry.

This isn't a picture-perfect scenario... unless LG calls Troutman Amin, of course. Plaintiff alleges LG's Labor Day promotional bombardment interrupted their programming with unsolicited texts. These messages touted eye-catching deals, including up to \$900 off OLED TVs and 30-50% appliance savings. With professional graphics and branded URLs, the campaign was as polished as a high-resolution display.

Adding to the concerns, the Plaintiff alleges that the texts were intended for someone else entirely, raising questions about how LG managed its customer contact database. One possibility that comes to my mind is that the Plaintiff's number was reassigned from a previous user who may have consented to LG's messages. Under FCC guidelines, businesses must avoid contacting reassigned numbers and implement systems to detect and remove them from marketing lists. Whether LG followed these protocols will likely be a focal point here.

This isn't Plaintiff's first venture into TCPA litigation. In November 2024, Plaintiff filed a similar class action lawsuit against the Home Shopping Network ("HSN"), alleging the company sent promotional text messages to numbers on the DNC Registry without consent. Check out our blog <u>here</u>. The repeat nature of these lawsuits raises questions about how Courts may view Plaintiff's experience and credibility in navigating these cases.

What is more, a critical issue in the lawsuit is the timeline of the Plaintiff's DNC registration, which the Complaint presents with conflicting dates. Paragraph 11 states that the Plaintiff's number "has been on the Do Not Call Registry since 2014" but lists the registration date as "August 5, 2024." Further complicating matters, Paragraph 20 asserts that LG "knew or should have known" about the registration "on and after April 18, 2023." These inconsistencies could play a pivotal role in

determining the scope of LG's liability.

The upcoming FCC 1:1 consent rule, which goes into effect on January 27, 2025, adds to the regulatory landscape. This rule requires businesses to obtain separate written consent for each entity sending marketing texts. Consent must be tied directly to the specific interaction generated, and disclosures must be clear and conspicuous. While the one-to-one rule wasn't in effect during LG's Labor Day campaign, it highlights evolving consumer privacy and consent expectations.

It's essential to keep up to date at TCPA World. Things are constantly changing.

Late last night, Responsible Enterprises Against Consumer Harassment ("R.E.A.C.H.") filed an emergency petition with the FCC seeking a temporary 60-day stay of the rule's implementation. You can check out the full details of R.E.A.C.H.'s filing <u>here</u>. Due to the recent executive order signed by President Trump, R.E.A.C.H. advises federal agencies to postpone the effective dates of rules not yet in effect to allow time for further review. R.E.A.C.H. has requested that the FCC delay the one-to-one consent rule until March 18, 2025, and reopen the comment period to evaluate potential issues with the rule, particularly its impact on small businesses. Stay tuned.

As always,

Keep it legal, keep it smart, and stay ahead of the game.

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