

OFFICE OF THE
DISTRICT ATTORNEY
COUNTY OF SANTA BARBARA

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Re: *People v. Thrive Market Technologies, Inc.*
Santa Barbara County Superior Court, Case No. 24CV02320

District Attorney John T. Savrnoch announced today that the online retailer, Thrive Market Technologies, Inc. (“Thrive Market”), agreed to a Court-ordered judgment arising from enforcement of California’s Automatic Renewal Law (“ARL”) and False Advertising Law (“FAL”). The ARL prohibits companies from automatically renewing consumer subscriptions without conspicuously disclosing the terms of the subscription and without the consumer’s consent. The ARL also requires companies to provide a post-purchase acknowledgment of the subscription terms. The FAL prohibits companies from misrepresenting their products and services, including the nature of their automatically renewing subscriptions, the prices of their products and services, and any savings associated with consumer purchases.

The Santa Barbara County District Attorney’s Office and the Los Angeles County District Attorney’s Office led the case for the California Automatic Renewal Task Force (“CART”), which also includes the District Attorney’s Offices of San Diego County, Santa Clara County, and Santa Cruz County, and the Santa Monica City Attorney’s Office. Thrive Market is a membership-only, online health food and products retailer. CART’s investigation found that the company did not clearly and conspicuously disclose the required subscription terms before enrolling consumers in its membership and auto-ship programs. Thrive Market also failed to provide consumers with the proper acknowledgment after enrolling them in these programs. In addition, CART’s investigation found that the price savings, or “reference price” comparisons, Thrive Market advertised for the products it sold were false or misleading.

The Stipulated Judgment entered by the Santa Barbara Superior Court enjoins Thrive Market from violating the FAL and ARL, and from making reference price comparisons in violation of applicable state and federal law. The judgment also orders Thrive Market to pay \$1,004,000 in civil penalties, \$450,000 in restitution to Thrive Market customers, and \$96,000 in investigative costs to the prosecution taskforce. Thrive Market cooperated in this resolution and agreed to bring its relevant business practices into compliance.

District Attorney Savrnoch thanks Senior Deputy District Attorneys Morgan Lucas and Christopher Dalbey for their work on this case, and commented that “we appreciate the work of our statewide team in protecting consumers from unlawful online sales and marketing practices.”

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