Analysis of Proposed Consent Order to Aid Public Comment In the Matter of InPhonic, Inc., File No. 062-3066

The Federal Trade Commission has accepted, subject to final approval, an agreement gentaling 34 Teams 50 t 160 tru time 10 to 17 Deniviti 17 Deniviti

The proposed consent order has been placed on the public record for thirty (30) days for proposed consent order to the public record for thirty (30) days for proposed order to the public record for thirty (30) days for proposed order to the public record for thirty (30) days for proposed order to the public record for thirty (30) days for proposed order.

InPhonic, located in Washington, D.C., is an online marketer of wireless telephone packages. Each wireless telephone package includes a name-brand wireless device and a wireless service contract with a national or regional wireless carrier. This matter concerns allegedly deceptive and unfaid point b

UPC code, and/or a required "Guide to Wireless Service" and, despite repeated attempts to contact respondent, were unable to obtain the documentation. The complaint alleges that this constitutes an unfair practice.

Finally, according to the complaint, InPhonic promised to provide consumers with rebate checks within 12 weeks of rebate submission, if they purchased a wireless phone and service plan, and submitted a valid rebate request with supporting documentation. The complaint alleges that after receiving rebate requests in conformance with these terms, InPhonic extended the time period in which it would deliver the rebates without consumers agreeing to this extension of time and failed to deliver the rebates to consumers within the promised time period. According to the complaint, this constitutes an unfair business practice.

The proposed consent order contains provisions designed to prevent InPhonic from engaging in similar acts and practices in the future and to redress consumers. Part I.A. of the proposed order prohibits InPhonic from making a claim about the amount of any rebate, unless it discloses, clearly and conspicuously, unavoidably, and prior to consumers incurring any financial obligation: any time period that consumers must wait before submitting a rebate request; that consumers who change their wireless phone numbers after purchase are disqualified from receiving a rebate, if that is the case; that any rebate submission that does not strictly comply with all rebate terms and conditions, or that is deemed in any way illegible, may be rejected with little or no opportunity to resubmit, if that is the case; any requirement for submitting bills, records, or any other documentation, with a rebate request; when consumers can expforequirement for

Part V of the proposed order requires InPhonic to send rebates to eligible purchasers. Eligible purchasers include consumers whose rebate requests were previously denied solely on the basis of one or more of the following reasons: 1) the consumer changed his/her wireless phone number; 2) the signature on the rebate form was illegible; 3) InPhonic failed to provide the consumer with required information or documents; 4) the email address was missing from the rebate form; or 5) the request was late due to the consumer's submission of a fourth wireless bill. In addition, eligible purchasers include consumers whose requests were denied due to a curable deficiency, but where the consumer was not given at least thirty days to resubmit the request.

Parts VI through IX of the proposed order are reporting and compliance provisions. Part X of the proposed order is a "sunset" provision, dictating that the order will terminate twenty years from the date it is issued or twenty years after a complaint is filed in federal court, by either the United States or the FTC, alleging any violation of the order.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.