

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Joseph J. Simons, Chairman
Rohit Chopra
Noah Joshua Phillips
Rebecca Kelly Slaughter
Christine S. Wilson

In the Matter of

TAPJOY, INC.,
a corporation.

DOCKET NO.

COMPLAINT

The Federal Trade Commission (“FTC” or “Commission”), having reason to believe that Tapjoy, Inc., a corporation, has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Tapjoy, Inc. (“Tapjoy” or “Respondent”) is a Delaware corporation with its principal place of business at 353 Sacramento Street, 6th Floor, San Francisco, CA 94111.
2. Tapjoy has advertised, marketed, or distributed virtual currency to consumers throughout the United States.
3. The acts and practices of Tapjoy alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.

Tapjoy’s Business Practices

4. Tapjoy operates an advertising platform within mobile gaming applications (“apps”). On the platform, Tapjoy promotes offers of in-app rewards (e.g., virtual currency) to consumers who complete an actionsuch as takingor otherwise ~~engaging~~ engaging with third-party advertising. Often, these consumers must divulge personal information or spend money. In many instances, Tapjoy never issues the promised reward to consumers who complete an action as instructed, or only issues the currency after a substantial delay. Consumers who attempt to contact Tapjoy to complain about missing rewards find it difficult to do so, and



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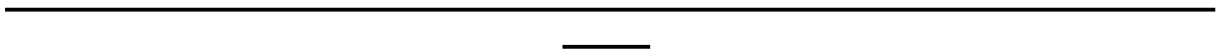
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22. Indeed, Tapjoy recognized as far back as July 2016 that “too many users [were] simply not getting rewarded,” that Tapjoy “clearly [had] a problem,” and that “there are a number of scenarios where we fail to reward people.”

23. An internal presentation over six months later, at the end of February 2017, similarly identified “poor customer experience,” “inconsistent user rewarding,” and “waning

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THEREFORE, the Federal Trade Commission this _____ day of _____, 20__, has issued this Complaint against Tapjoy.

By the Commission.

April J. Tabor
Secretary

SEAL: