



Christopher Oswald
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April 11, 2017

The Honorable William Botzow II
House Committee on Commerce and Economic Development
115 State Street, Room 35
Montpelier, VT 05633
bbotzow@leg.state.vt.us

Dear Chair Botzow:

On behalf of the DMA, the Data & Marketing Association¹, I write in respectful opposition to S.136, which includes language from H.286 that would impose new and unnecessary burdens on companies offering goods and services with automatic renewal provisions.

DMA firmly believes that all companies should behave responsibly, and agrees that marketers should clearly and conspicuously disclose all material terms and conditions and obtain a consumer's clear, informed consent prior to billing any contract that may automatically renew. Marketers should also inform consumers in renewal reminders of their right to cancel their subscription, and any outstanding fees owed.

Allowing an agreement for goods and services with clear terms and consumer consent to automatically renew is a convenience and ensures the consumer doesn't miss out on receiving their desired product or service. Placing unnecessary and costly restrictions solely on legitimate businesses will ultimately harm the economy of Vermont. Unworkable provisions like those contained in S.136 will have a chilling effect on the legitimate businesses operating in Vermont that use automatic renewals. Such an outcome will have a perverse impact for consumers. Legitimate businesses will be forced to alter their practices, and provide consumers with fewer options due to the expansive nature of these proposed requirements.

Rather than creating new statutory requirements that will continue to be ignored by bad actors and unduly burden responsible businesses, DMA believes industry self-regulation and best practices are the preferred method to protect consumers from unethical marketing. Article 12 of DMA's Guidelines for Ethical Business Practices (available at: <http://thedma.org/compliance>) specifically addresses advanced consent marketing practices and provides the necessary protection for consumers while preserving the convenience they desire.

¹ Founded in 1917, the Data & Marketing Association (DMA) is the community that champions deeper consumer engagement and business value through the innovative and responsible use of data-driven marketing. DMA's membership is made up of today's leading tech and data innovators, brand marketers, agencies, service providers and media companies. By representing the entire marketing ecosystem – from demand side to supply side – DMA is uniquely positioned to bring win/win solutions to the market for the benefit of all consumers.

For the foregoing reasons, the DMA must respectfully OPPOSE S.136.

Sincerely,

A handwritten signature in blue ink, appearing to read "Clifford", written in a cursive style.

cc: members of the House Committee on Commerce and Economic Development