STATE OF CONNECTICUT ~ OFFICE OF THE ATTORNEY GENERAL



ATTORNEY GENERAL GEORGE JEPSEN

ATTORNEY GENERAL RAISES QUESTIONS ABOUT GROUPON DISCOUNTS IN CONNECTICUT

For Immediate Release

THURSDAY JULY 14, 2011

HARTFORD -- Attorney General George Jepsen is asking Groupon, Inc. for more information about its business practices because of concerns the expiration dates imposed on some discount offers sold to Connecticut consumers may violate state law pertaining to gift certificates.

Jepsen has written to the chief executive of the Chicago-based company, asking for more information about "Groupons." Specifically, the Attorney General asked the company to explain the terms under which Groupons are sold to and redeemed by consumers, how much revenue those sales generate in Connecticut and how frequently expiration dates are imposed on the sale of goods and services at a discount.

"It appears that what Groupon, Inc. sells or offers may fall within the definition of a gift certificate under Connecticut law," Jepsen said. Connecticut law prohibits gift certificates from being sold or issued subject to an expiration date.

"Discounts on goods and services are good for Connecticut consumers, but only if they are getting the benefit of what they are entitled to under Connecticut law," Jepsen said. "I have not prejudged Groupon or reached any conclusions. I am hopeful that any issues can be resolved through discussion and cooperation."

Connecticut may be the first state to raise questions about the Groupon sales, although many states have laws prohibiting or limiting gift card expirations. A number of private civil suits have been filed nationally challenging the expiration dates.

The company was asked to provide the information requested by early next month.

Assistant Attorneys General Jeremy Pearlman and Jeffrey Zeman are handling this issue for Jepsen.

View the entire letter to Groupon – (PDF-239KB) ###

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