

US Coachways Settles TCPA Class Action for \$49.9 Million Over Marketing Text Messages

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In response to a class action lawsuit filed against US Coachways, the Federal District Court for the Northern District of Illinois recently approved a [\\$49.9 million settlement](#). At issue was the company's practice of sending marketing text messages to individuals who had booked past trips or requested price quotes. The contents of the messages included marketing language that did not have to do with past trips, such as "for holiday parties and rentals of buses, limos & mini buses, call [number]," or "call [number] to learn about great winter deals!"

While the individuals had voluntarily provided US Coachways with their cell phone numbers, the plaintiffs alleged that they had not given prior express written (signed) consent for the company to send them marketing texts, as is required under the regulations for the Telephone Consumer Protection Act ([47 CFR 64.1200\(a\)\(2\)](#)). With statutory penalties of \$500 per violation, and an alleged nearly 400,000 unsolicited text messages sent from 2011 to 2014, the company faced a statutory penalty around \$200 million. The court permitted a payment of a lesser amount, noting that (1) the company did not act intentionally in violation of the law, (2) its request for coverage tendered to its insurance provider was denied, and (3) the company "lacks financial resources to withstand the potential judgment in this case, or to fund a reasonable settlement from its own funds."

TIP: This case is a reminder that plaintiff's attorneys continue to bring cases where companies send marketing texts without first obtaining prior, written, signed consent—even if those numbers were provided voluntarily by the individual.

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