

Review website Yelp.com sued, accused of 'extortion'

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The lawsuit against the San Francisco-based <u>Yelp</u> Inc. was filed in a Los Angeles federal court on Tuesday on behalf of a veterinary hospital in Long Beach, California, the law firms behind the suit said in a statement.

"Yelp runs an extortion scheme in which the company's employees call businesses demanding monthly payments, in the guise of 'advertising



contracts,' in exchange for removing or modifying negative reviews," they said.

Veterinary hospital, Cats and Dogs Animal Hospital Inc., had asked that Yelp remove a "false and defamatory review" from the website, they said.

Yelp refused and "instead, the company's sales representatives repeatedly contacted the hospital and demanded a roughly 300-dollar-permonth payment in exchange for hiding or removing the negative review," they alleged.

"We believe that Yelp's sales tactics amount to high-tech extortion," said Jared Beck, co-managing partner of Beck & Lee Business Trial Lawyers, which filed the lawsuit along with The Weston Firm.

"The victims tend to be small businesses, such as our client, who often have no choice but to pay Yelp exorbitant sums in order to prevent further harm to their livelihoods," Beck said.

In a statement, Vince Sollitto, Yelp's vice president of communications, said he had not yet seen the suit but vowed to "dispute it aggressively."

"Yelp provides a valuable service to millions of consumers and businesses based on our trusted content," Sollitto said.

"The allegations are demonstrably false, since many businesses that advertise on Yelp have both negative and positive reviews," he said.

"These businesses realize that both kinds of feedback provide authenticity and value," he said. "Running a good business is hard; filing a lawsuit is easy."



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