



For Release

Federal Trade Commission Announces Proposed Rule Banning Fake Reviews and Testimonials

June 30, 2023



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The Federal Trade Commission proposed a new rule to stop marketers from using illicit review and endorsement practices such as using fake reviews, suppressing honest negative reviews, and paying for positive reviews, which deceive consumers looking for real feedback on a product or service and undercut honest businesses.

“Our proposed rule on fake reviews shows that we’re using all available means to attack deceptive advertising in the digital age,” said Samuel Levine, Director of the FTC’s Bureau of Consumer Protection. “The rule would trigger civil penalties for violators and should help level the playing field for honest companies.”

In its [notice of proposed rulemaking](#), the Commission cited examples of clearly deceptive practices involving consumer reviews and testimonials from its past cases, and noted the widespread emergence of generative AI, which is likely to make it easier for bad actors to write fake reviews.

The Commission is seeking comments on proposed measures that would fight these clearly deceptive practices. For example, the proposed rule would prohibit:

- **Selling or Obtaining Fake Consumer Reviews and Testimonials:** The proposed rule would prohibit businesses from writing or selling consumer reviews or testimonials by someone who does not exist, who did not have experience with the product or service, or who misrepresented their experiences. It also would prohibit businesses from procuring such reviews or disseminating such testimonials if the businesses knew or should have known that they were fake or false.
- **Review Hijacking:** Businesses would be prohibited from using or repurposing a consumer review written for one product so that it appears to have been written for a substantially different product. The FTC recently brought its [first review hijacking enforcement action](#).
- **Buying Positive or Negative Reviews:** Businesses would be prohibited from providing compensation or other incentives conditioned on the writing of consumer reviews expressing a particular sentiment, either positive or negative.
- **Insider Reviews and Consumer Testimonials:** The proposed rule would prohibit a company’s officers and managers from writing reviews or testimonials of its products or services, without clearly disclosing their relationships. It also would prohibit businesses from disseminating testimonials by insiders without clear disclosures of their relationships, and it would prohibit



certain solicitations by officers or managers of reviews from company employees or their relatives, depending on whether the businesses knew or should have known of these relationships.

- **Company Controlled Review Websites:** Businesses would be prohibited from creating or controlling a website that claims to provide independent opinions about a category of products or services that includes its own products or services.
- **Illegal Review Suppression:** Businesses would be prohibited from using unjustified legal threats, other intimidation, or false accusations to prevent or remove a negative consumer review. The proposed rule also would bar a business from misrepresenting that the reviews on its website represent all reviews submitted when negative reviews have been suppressed.
- **Selling Fake Social Media Indicators:** Businesses would be prohibited from selling false indicators of social media influence, like fake followers or views. The proposed rule also would bar anyone from buying such indicators to misrepresent their importance for a commercial purpose.

The proposed rule follows [an advance notice of proposed rulemaking](#) the Commission announced last November. The FTC received comments from individual consumers, trade associations, review platform operators, small businesses, consumer advocacy organizations, entities dedicated to fighting fake reviews, and academic researchers.

Although the FTC has taken strong enforcement action in this area recently, case-by-case enforcement without civil penalty authority might not be enough to deter clearly deceptive review and testimonial practices. The Supreme Court's decision in *AMG Capital Management LLC v. FTC* has hindered the FTC's ability to seek monetary relief for consumers under the FTC Act. A rule clearly spelling out prohibited practices and allowing for the judicial imposition of civil penalties could strengthen deterrence and FTC enforcement actions.

The notice includes questions for public comment to inform the Commission's decision-making on the proposal. These questions focus on provisions in the proposed rule and whether other provisions should or should not be included in the rule. After the Commission reviews the comments received, it will decide whether to take the necessary next steps toward issuing a final rule.

The Commission vote to approve the NPRM was 3-0. Instructions for filing comments appear in the [Federal Register notice](#). Comments must be received by September 29, 2023.

The primary staff member on these matters is Michael Ostheimer in the FTC's Bureau of Consumer Protection.

The Federal Trade Commission works to promote competition and [protect and educate consumers](#). Learn more about consumer topics at [consumer.ftc.gov](#), or report fraud, scams, and bad business practices at [ReportFraud.ftc.gov](#). Follow the [FTC on social media](#), read [consumer alerts](#) and the [business blog](#), and [sign up to get the latest FTC news and alerts](#).

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