



FTC Puts Hundreds of Businesses on Notice about Fake Reviews and Other Misleading Endorsements

October 13, 2021

Notice of Penalty Offenses can trigger steep penalties for recipients who use endorsements to deceive consumers



Share This Page

FOR RELEASE

TAGS: [Bureau of Consumer Protection](#) | [Consumer Protection](#) | [Advertising and Marketing](#) | [Endorsements, Influencers, and Reviews](#) | [Online Advertising and Marketing](#)

The Federal Trade Commission is blanketing industry with a clear message that, if they use endorsements to deceive consumers, the FTC will be ready to hold them responsible with every tool at its disposal.

The rise of social media has blurred the line between authentic content and advertising, leading to an explosion in deceptive endorsements across the marketplace. Fake online reviews and other deceptive endorsements often tout products throughout the online world. Consequently, the FTC is now using its Penalty Offense Authority to remind advertisers of the law and deter them from breaking it. By sending a [Notice of Penalty Offenses](#) to more than 700 companies, the agency is placing them on notice they could incur significant civil penalties—up to \$43,792 per violation—if they use endorsements in ways that run counter to prior FTC administrative cases.

“Fake reviews and other forms of deceptive endorsements cheat consumers and undercut honest businesses,” said Samuel Levine, Director of the FTC’s Bureau of Consumer Protection. “Advertisers will pay a price if they engage in these deceptive practices.”

The Notice of Penalty Offenses allows the agency to seek civil penalties against a company that engages in conduct that it knows has been found unlawful in a previous FTC administrative order, other than a consent order.

The Notice sent to the companies outlines a number of practices that the FTC determined to be unfair or deceptive in prior administrative cases. These include, but are not limited to: falsely claiming an endorsement by a third party; misrepresenting whether an endorser is an actual, current, or recent user; using an endorsement to make deceptive performance claims; failing to disclose an unexpected material connection with an endorser; and misrepresenting that the experience of endorsers represents consumers’ typical or ordinary experience.

Companies receiving the notice represent an array of large companies, top advertisers, leading retailers, top consumer product companies, and major advertising agencies. A full list of the businesses [receiving the Notice](#) from the FTC is available on the FTC's website. A recipient's presence on this list does not in any way suggest that it has engaged in deceptive or unfair conduct.

In addition to the Notice, the FTC has created [multiple resources for business](#) to ensure that they are following the law when using endorsements to advertise their products and services, which can be found on the FTC's website.

The Commission vote to authorize the Notice and its distribution was 5-0.

The Federal Trade Commission works to promote competition and to [protect and educate consumers](#). You can [learn more about consumer topics](#) and file a [consumer complaint online](#) or by calling 1-877-FTC-HELP (382-4357). For the latest news and resources, [follow the FTC on social media](#), [subscribe to press releases](#) and read our [blogs](#).

Contact Information

CONTACT FOR CONSUMERS:

FTC Consumer Response Center
877-382-4357

MEDIA CONTACT:

[Jay Mayfield](#)
Office of Public Affairs
202-326-2656

STAFF CONTACTS:

Michael Ostheimer
Bureau of Consumer Protection
202-326-2699

Michael Atleson
Bureau of Consumer Protection
202-326-2962



ftc.gov