

#### United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

December 22, 2025

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VIA FED EX

#### **WARNING LETTER**

To Whom It May Concern:

As you know, the Federal Trade Commission has issued Trade Regulation Rule on the Use of Consumer Reviews and Testimonials (the "Consumer Review Rule" or "the Rule"), 16 C.F.R. § 465 (see Attachment A), which became fully effective on October 21, 2024 and has the full force and effect of federal law.

The Consumer Review Rule specifically prohibits certain review-related conduct and authorizes the FTC to seek civil penalties for Rule non-compliance, including for the following:

- Fake or False Consumer Reviews, Consumer Testimonials, and Celebrity Testimonials the Consumer Review Rule prohibits reviews and testimonials that misrepresent: (1) the reviewer's experience with the product or service (i.e., whether the experience was positive or negative); or (2) whether or to what extent the reviewer used the product or service. The Rule prohibits businesses from creating or selling such reviews or testimonials, buying such reviews, procuring them from company insiders, or disseminating them, when the business knew or should have known that the reviews or testimonials were fake or false.
- **Buying Positive or Negative Reviews** the Consumer Review Rule prohibits providing compensation or other incentives—either expressly or implicitly—conditioned on the writing of consumer reviews expressing a particular sentiment, either positive or negative (e.g., giving a gift cards or discounts only for 5-star reviews).
- Insider Reviews and Consumer Testimonials the Consumer Review Rule bars company insiders, including officers or managers, from writing reviews and testimonials that fail to clearly and conspicuously disclose the writer's material connection to the business. The Rule also bars businesses from disseminating a testimonial from an officer,

manager, employee, or agent, without a disclosure where the business should have known the source of the testimonial and the relationship was not clear to the audience. Furthermore, clear and conspicuous disclosure of a business connection is required when officers or managers solicit consumer reviews from their own immediate relatives or from employees or agents, or when they tell employees or agents to solicit reviews from relatives, and such solicitations result in reviews by immediate relatives of the employees or agents.

- Company-Controlled Review Websites the Consumer Review Rule prohibits a business from misrepresenting that a website or entity it controls provides independent reviews or opinions about a category of products or services that includes its own products or services. For example, a website claiming to rate or rank a type of product must clearly and conspicuously disclose if the site is controlled by a manufacturer or seller of the product (*see*, *e.g.*, FTC Stops False Advertising, Phony Reviews by Online Trampoline Sellers, <a href="https://www.ftc.gov/news-events/news/press-releases/2017/05/ftc-stops-false-advertising-phony-reviews-online-trampoline-sellers">https://www.ftc.gov/news-events/news/press-releases/2017/05/ftc-stops-false-advertising-phony-reviews-online-trampoline-sellers</a>, in which the FTC brought an action against sellers of trampolines who also ran review sites claiming to offer independent unbiased ratings and certifications of trampolines<sup>1</sup>).
- Review Suppression the Consumer Review Rule prohibits a business from using unfounded or groundless legal threats, physical threats, intimidation, or certain false public accusations to prevent or remove a negative consumer review. The Rule also bars a business from misrepresenting that the reviews on a review portion of its website represent all or most of the reviews submitted when certain reviews have been excluded based upon their ratings or negative sentiment (sometimes referred to as "gatekeeping"). This applies whether the business itself is performing the gatekeeping or whether the business has contracted with a third-party to handle its reviews and exclude some based upon their ratings or negative sentiment.
- **Misuse of Fake Social Media Indicators** the Consumer Review Rule prohibits anyone from selling or buying fake indicators of social media influence, such as followers or views generated by a bot or hijacked account. This prohibition is limited to situations in which the buyer knew or should have known that the indicators were fake and misrepresent the buyer's influence or importance for a commercial purpose.

Based on information staff has reviewed, it has reason to believe that your company is violating or has violated the Consumer Review Rule. Staff has determined that your company has engaged in prohibited practices, including [SPECIFIC CONDUCT DESCRIPTION.

Example: providing compensation to your employees in exchange for the employee obtaining 5-star reviews from friends and family, and obtaining reviews from individuals who did not have actual experience with the company's products or services.]

<sup>&</sup>lt;sup>1</sup> This case was brought under Section 5 of the FTC Act prior to issuance of the Consumer Review Rule, but the conduct is now covered by the Rule, and violators would now be subject to civil penalties.

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While this letter does not reflect a formal determination that you have violated the Consumer Review Rule, you are advised to immediately cease and desist any conduct that does not comply with the Consumer Review Rule, and, if necessary, take remedial action (such as by removing potentially problematic reviews and testimonials from websites under your control, and making your best effort to have them removed from third-party websites). Should the FTC receive additional reports of non-compliance following this notification, it could result in further legal action, including the filing of a federal lawsuit, in which a court could impose civil penalties of up to \$53,088 per violation.

You should immediately review the Consumer Review Rule and, if necessary, revise your practices to ensure compliance with the Rule's requirements.

If you are part of a multi-office practice group or corporate chain, please deliver this warning letter to the person or entity in charge of policies and practices pertaining to compliance with the Consumer Review Rule for your office and any related offices. If such policies and practices are managed by a centralized entity or contracted party that oversees multiple offices, please notify that entity or party that this notice applies to all offices under its supervision.

Within 5 business days of receipt of this letter, send an electronic mail to [ATTORNEY\_EMAIL@ftc.gov], identifying the person or entity in charge of relevant policies and practices for your office and any related offices, confirming you've delivered this letter to such person or entity, and describing the specific action(s) planned to ensure compliance with the Consumer Review Rule. For any questions, please contact [ATTORNEY NAME (email, telephone)].

Thank you for your prompt attention to this matter.

Very truly yours,

Janice L. Kopec

Acting Associate Director

Saint Hoper

Division of Advertising Practices

16 CFR Part 465 (Dec. 17, 2025)

This content is from the eCFR and is authoritative but unofficial.

# Title 16 —Commercial Practices Chapter I —Federal Trade Commission Subchapter D —Trade Regulation Rules

#### Part 465 Rule on the Use of Consumer Reviews and Testimonials

- § 465.1 Definitions.
- § 465.2 Fake or false consumer reviews, consumer testimonials, or celebrity testimonials.

§ 465.3 [Reserved]

- § 465.4 Buying positive or negative consumer reviews.
- § 465.5 Insider consumer reviews and consumer testimonials.
- § 465.6 Company-controlled review websites or entities.
- § 465.7 Review suppression.
- § 465.8 Misuse of fake indicators of social media influence.
- § 465.9 Severability.

## PART 465—RULE ON THE USE OF CONSUMER REVIEWS AND TESTIMONIALS

Authority: 15 U.S.C. 57a.

Source: 89 FR 68077, Aug. 22, 2024, unless otherwise noted.

#### § 465.1 Definitions.

- (a) Business means an individual who sells products or services, a partnership that sells products or services, a corporation that sells products or services, or any other commercial entity that sells products or services.
- (b) Celebrity testimonial means an advertising or promotional message (including verbal statements, demonstrations, or depictions of the name, signature, likeness, or other identifying personal characteristics of an individual) that consumers are likely to believe reflects the opinions, beliefs, or experiences of a well-known individual who purchased, used, or otherwise had experience with a product, service, or business.
- (c) Clear and conspicuous means that a required disclosure is easily noticeable (i.e., difficult to miss) and easily understandable by ordinary consumers, including in all of the following ways:

- (1) In any communication that is solely visual or solely audible, the disclosure must be made through the same means through which the communication is presented. In any communication made through both visual and audible means, such as a television advertisement, the disclosure must be presented in at least the same means as the representation(s) requiring the disclosure.
- (2) A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.
- (3) An audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it.
- (4) In any communication using an interactive electronic medium, such as social media or the internet, the disclosure must be unavoidable. A disclosure is not clear and conspicuous if a consumer must take any action, such as clicking on a hyperlink or hovering over an icon, to see it.
- (5) The disclosure must use diction and syntax understandable to ordinary consumers and must appear in each language in which the representation that requires the disclosure appears.
- (6) The disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications.
- (7) The disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication.
- (8) When the representation or sales practice targets a specific audience, such as children, the elderly, or the terminally ill, "ordinary consumers" includes members of that group.
- (d) Consumer review means a consumer's evaluation, or a purported consumer's evaluation, of a product, service, or business that is submitted by the consumer or purported consumer and that is published to a website or platform dedicated in whole or in part to receiving and displaying such evaluations. For the purposes of this part, consumer reviews include consumer ratings regardless of whether they include any text or narrative.
- (e) Consumer review hosting means providing the technological means by which a website or platform enables consumers to see or hear the consumer reviews that consumers have submitted to the website or platform.
- (f) Consumer testimonial means an advertising or promotional message (including verbal statements, demonstrations, or depictions of the name, signature, likeness, or other identifying personal characteristics of an individual) that consumers are likely to believe reflects the opinions, beliefs, or experiences of a consumer who has purchased, used, or otherwise had experience with a product, service, or business.
- (g) Distribute fake indicators of social media influence means the distribution of fake indicators of social media influence to individuals or businesses who could use the indicators to misrepresent their influence.
- (h) Fake indicators of social media influence means indicators of social media influence generated by bots, purported individual accounts not associated with a real individual, accounts created with a real individual's personal information without their consent, or hijacked accounts, or that otherwise do not reflect a real individual's or entity's activities, opinions, findings, or experiences.
- Immediate Relative means a spouse, parent, child, or sibling.

- (j) Indicators of social media influence means any metrics used by the public to make assessments of an individual's or entity's social media influence, such as followers, friends, connections, subscribers, views, plays, likes, saves, shares, reposts, and comments.
- (k) **Manager** means an employee of a business who supervises other employees or agents and who either holds the title of a "manager" or otherwise serves in a managerial role.
- (I) Officers include owners, executives, and managing members of a business.
- (m) Purchase a consumer review means to provide something of value, such as money, gift certificates, products, services, discounts, coupons, contest entries, or another review, in exchange for a consumer review.
- (n) Reviewer means the author or purported author of a consumer review.
- (o) Testimonialist means the individual giving or purportedly giving a consumer testimonial or celebrity testimonial.
- (p) An unfounded or groundless legal threat is a legal threat based on claims, defenses, or other legal contentions unwarranted by existing law or based on factual contentions that have no evidentiary support or will likely have no evidentiary support after a reasonable opportunity for further investigation or discovery.

#### § 465.2 Fake or false consumer reviews, consumer testimonials, or celebrity testimonials.

- (a) It is an unfair or deceptive act or practice and a violation of this part for a business to write, create, or sell a consumer review, consumer testimonial, or celebrity testimonial that materially misrepresents, expressly or by implication:
  - (1) That the reviewer or testimonialist exists;
  - (2) That the reviewer or testimonialist used or otherwise had experience with the product, service, or business that is the subject of the review or testimonial; or
  - (3) The reviewer's or testimonialist's experience with the product, service, or business that is the subject of the review or testimonial.
- (b) It is an unfair or deceptive act or practice and a violation of this part for a business to purchase a consumer review, or to disseminate or cause the dissemination of a consumer testimonial or celebrity testimonial, about the business or one of the products or services it sells, which the business knew or should have known materially misrepresented, expressly or by implication:
  - That the reviewer or testimonialist exists;
  - (2) That the reviewer or testimonialist used or otherwise had experience with the product, service, or business that is the subject of the review or testimonial; or
  - (3) The reviewer's or testimonialist's experience with the product, service, or business that is the subject of the review or testimonial.
- (c) It is an unfair or deceptive act or practice and a violation of this part for a business to procure a consumer review from its officers, managers, employees, or agents, or any of their immediate relatives, for posting on a third-party platform or website, when the review is about the business or one of the products or services it sells, and when the business knew or should have known that the review materially misrepresented, expressly or by implication:

- (1) That the reviewer exists;
- (2) That the reviewer used or otherwise had experience with the product, service, or business that is the subject of the review; or
- (3) The reviewer's experience with the product, service, or business that is the subject of the review.
- (d) However, paragraphs (b) and (c) of this section do not apply to:
  - Reviews or testimonials that resulted from a business making generalized solicitations to purchasers to post reviews or testimonials about their experiences with the product, service, or business; or
  - (2) Reviews that appear on a website or platform as a result of the business merely engaging in consumer review hosting.

#### § 465.3 [Reserved]

#### § 465.4 Buying positive or negative consumer reviews.

It is an unfair or deceptive act or practice and a violation of this part for a business to provide compensation or other incentives in exchange for, or conditioned expressly or by implication on, the writing or creation of consumer reviews expressing a particular sentiment, whether positive or negative, regarding the product, service, or business that is the subject of the review.

#### § 465.5 Insider consumer reviews and consumer testimonials.

(a) It is an unfair or deceptive act or practice and a violation of this part for an officer or manager of a business to write or create a consumer review or consumer testimonial about the business or one of the products or services it sells that fails to have a clear and conspicuous disclosure of the officer's or manager's material relationship to the business, unless, in the case of a consumer testimonial, the relationship is otherwise clear to the audience.

(b)

- (1) It is an unfair or deceptive act or practice and a violation of this part for a business to disseminate or cause the dissemination of a consumer testimonial about the business or one of the products or services it sells by one of its officers, managers, employees, or agents, which fails to have a clear and conspicuous disclosure of the testimonialist's material relationship to the business, when the relationship is not otherwise clear to the audience and the business knew or should have known the testimonialist's relationship to the business.
- (2) However, paragraph (b)(1) of this section does not apply to:
  - (i) Generalized solicitations to purchasers for them to post testimonials about their experiences with the product, service, or business, or
  - (ii) Merely engaging in consumer review hosting.

(c)

(1) It is an unfair or deceptive act or practice and a violation of this part for an officer or manager of a business to solicit or demand a consumer review about the business or one of the products or services it sells from any of their immediate relatives or from any employee or agent of the business, or to solicit or demand that such employees or agents seek such reviews from their relatives, when:

- (i) The solicitation or demand results in an officer's or manager's immediate relatives, an employee or agent, or the immediate relatives of an employee or agent writing or creating such a review without a disclosure of the reviewer's material relationship to the business, and
- (ii) The officer or manager:
  - (A) Encouraged the prospective reviewer not to make such a disclosure,
  - (B) Did not instruct that prospective reviewers disclose clearly and conspicuously their relationship to the business, or
  - (C) knew or should have known that such a review appeared without such a disclosure and failed to take remedial steps.
- (2) However, paragraph (c)(1) of this section does not apply to generalized solicitations to purchasers for them to post reviews about their experiences with the product, service, or business.

#### § 465.6 Company-controlled review websites or entities.

It is an unfair or deceptive act or practice and a violation of this part for a business to materially misrepresent, expressly or by implication, that a website, organization, or entity that it controls, owns, or operates provides independent reviews or opinions, other than consumer reviews, about a category of businesses, products, or services including the business or one or more of the products or services it sells.

#### § 465.7 Review suppression.

It is an unfair or deceptive act or practice and a violation of this part:

- (a) For anyone to use an unfounded or groundless legal threat, a physical threat, intimidation, or a public false accusation in response to a consumer review that is made with the knowledge that the accusation was false or made with reckless disregard as to its truth or falsity, in an attempt to:
  - (1) Prevent a review or any portion thereof from being written or created, or
  - (2) Cause a review or any portion thereof to be removed, whether or not that review or a portion thereof is replaced with other content, or
- (b) For a business to materially misrepresent, expressly or by implication, that the consumer reviews of one or more of the products or services it sells displayed in a portion of its website or platform dedicated in whole or in part to receiving and displaying consumer reviews represent most or all the reviews submitted to the website or platform when reviews are being suppressed (i.e., not displayable) based upon their ratings or their negative sentiment. For purposes of this paragraph, a review is not considered suppressed based upon rating or negative sentiment if the suppression occurs based on criteria for withholding reviews that are applied equally to all reviews submitted without regard to sentiment, such as when:
  - (1) The review contains:
    - (i) Trade secrets or privileged or confidential commercial or financial information,
    - (ii) Defamatory, harassing, abusive, obscene, vulgar, or sexually explicit content,
    - (iii) The personal information or likeness of another individual,
    - (iv) Content that is discriminatory with respect to race, gender, sexuality, ethnicity, or another intrinsic characteristic, or

- (v) Content that is clearly false or misleading;
- (2) The seller reasonably believes the review is fake; or
- (3) The review is wholly unrelated to the products or services offered by or available at the website or platform.

#### § 465.8 Misuse of fake indicators of social media influence.

It is an unfair or deceptive act or practice and a violation of this part for anyone to:

- (a) Sell or distribute fake indicators of social media influence that they knew or should have known to be fake and that can be used by individuals or businesses to materially misrepresent their influence or importance for a commercial purpose; or
- (b) Purchase or procure fake indicators of social media influence that they knew or should have known to be fake and that materially misrepresent their influence or importance for a commercial purpose.

### § 465.9 Severability.

The provisions of this part are separate and severable from one another. If any provision is stayed or determined to be invalid, the remaining provisions will continue in effect.