

**UNITED STATES OF AMERICA  
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS:**     **Lina M. Khan, Chair  
Noah Joshua Phillips  
Rebecca Kelly Slaughter  
Christine S. Wilson  
Alvaro M. Bedoya**

**In the Matter of  
  
GOOGLE LLC,  
a limited liability company, and  
  
IHEARTMEDIA, INC.,  
a corporation.**

**DECISION AND ORDER  
AGAINST RESPONDENT  
IHEARTMEDIA, INC.**

**DOCKET NO. C-4784**

**DECISION**

The Federal Trade Commission (“Commission”) initiated an investigation of certain acts and practices of the Respondent named in the caption. The Commission’s Bureau of Consumer Protection (“BCP”) prepared and furnished to Respondent a draft Complaint. BCP proposed to present the draft Complaint to the Commission for its consideration. If issued by the Commission, the draft Complaint would charge the Respondent with violations of the Federal Trade Commission Act.

Respondent and BCP thereafter executed an Agreement Containing Consent Order (“Consent Agreement”). The Consent Agreement includes: 1) statements by Respondent that it neither admits nor denies any of the allegations in the Complaint, except as specifically stated in this Decision and Order, and that only for purposes of this action, it admits the facts necessary to establish jurisdiction; and 2) waivers and other provisions as required by the Commission’s Rules.

The Commission considered the matter and determined that it had reason to believe that Respondent has violated the Federal Trade Commission Act, and that a Complaint should issue stating its charges in that respect. The Commission accepted the executed Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments. The Commission duly considered any comments received from interested persons pursuant to Section 2.34 of its Rules, 16 C.F.R. § 2.34. Now, in further conformity with the procedure prescribed in Rule 2.34, the Commission issues its Complaint, makes the following Findings, and issues the following Order:

## **Findings**

1. Respondent iHeartMedia, Inc. is a Delaware corporation with its principal office or place of business at 20880 Stone Oak Parkway, San Antonio, Texas 78258.
2. The Commission has jurisdiction over the subject matter of this proceeding and over Respondent, and the proceeding is in the public interest.

## **ORDER**

### **Definition**

For purposes of this Order, the following definition applies:

- A. "Respondent" means iHeartMedia, Inc., a corporation, and its successors and assigns.

### **Provisions**

#### **I. Prohibited Representations**

**IT IS ORDERED** that Respondent, and Respondent's officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the advertising, promotion, offering for sale, or sale of any consumer product or service, must not make any misrepresentation, expressly or by implication:

- A. That an endorser has owned or used the product or service; or
- B. About an endorser's experience with the product or service.

#### **II. Cooperation**

**IT IS FURTHER ORDERED** that Respondent must fully cooperate with representatives of the Commission in any investigation or case related to or associated with the transactions or the occurrences that are the subject of the Complaint. Respondent must provide truthful and complete information, evidence, and testimony. Respondent must cause its officers, employees, representatives, or agents to appear for interviews, discovery, hearings, trials, and any other proceedings that a Commission representative may reasonably request upon 5 days written notice, or other reasonable notice, at such places and times as a Commission representative may designate, without the service of a subpoena.

#### **III. Acknowledgments of the Order**

**IT IS FURTHER ORDERED** that Respondent obtain acknowledgments of receipt of this Order:

- A. Respondent, within 10 days after the effective date of this Order, must submit to the Commission an acknowledgment of receipt of this Order sworn under penalty of perjury.
- B. For 10 years after the issuance date of this Order, Respondent must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees, agents, and representatives having managerial responsibilities for conduct related to the subject matter of the Order; and (3) any business entity resulting from any change in structure as set forth in the Provision titled Compliance Reports and Notices. Delivery must occur within 10 days after the effective date of this Order for current personnel. For all others, delivery must occur before they assume their responsibilities.
- C. From each individual or entity to which Respondent delivered a copy of this Order, Respondent must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order.

#### **IV. Compliance Reports and Notices**

**IT IS FURTHER ORDERED** that Respondent make timely submissions to the Commission:

- A. One hundred eighty days after the issuance date of this Order, and each year thereafter, for 10 years, Respondent must submit a compliance report, sworn under penalty of perjury, in which it must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission may use to communicate with Respondent; (b) identify all of Respondent's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, and the means of advertising, marketing, and sales; (d) describe in detail whether and how Respondent is in compliance with each Provision of this Order, including a discussion of all of the changes Respondent made to comply with the Order; and (e) provide a copy of each Acknowledgment of the Order obtained pursuant to this Order, unless previously submitted to the Commission.
- B. Respondent must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in: (a) any designated point of contact; or (b) the structure of Respondent or any entity that Respondent has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.
- C. Respondent must submit notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against Respondent within 14 days of its filing.
- D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by

concluding: “I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: \_\_\_\_\_” and supplying the date, signatory’s full name, title (if applicable), and signature.

- E. Unless otherwise directed by a Commission representative in writing, all submissions to the Commission pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: In re *iHeartMedia, Inc.*

## **V. Recordkeeping**

**IT IS FURTHER ORDERED** that Respondent must create certain records for 10 years after the issuance date of the Order, and retain each such record for 5 years, unless otherwise specified below. Specifically, Respondent, for any business that Respondent is a majority owner or controls directly or indirectly, must create and retain the following records:

- A. Accounting records showing the revenues from all goods or services sold, the costs incurred in generating those revenues, and resulting net profit or loss;
- B. Personnel records showing, for each person providing services in relation to any aspect of the Order, whether as an employee or otherwise, that person’s: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. Copies or records of all consumer or other complaints concerning the subject matter of this Order, whether received directly or indirectly, such as through a third party, and any response;
- D. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the Commission;
- E. Copies of all materials used by Respondent to train or otherwise educate any of its principals, officers, directors, managers, employees, agents, or representatives regarding Respondent’s policies with respect to endorsements subject to this Order; and records reflecting which individuals received such training or educational materials, the date(s) that the individuals received such training or educational materials, and an indication of which training or educational materials were provided;
- F. For any endorsement subject to this Order that is provided by Respondent or its officers, employees, representatives, agents, or independent contractors: (a) records indicating the endorser’s name and contact information used to communicate with the endorser; (b) records indicating the amount(s) and value(s) of everything the endorser was paid or given in connection with the endorsement; (c) records indicating whether the endorser

was provided with the endorsed product or service; and (d) a copy of each unique endorsement by the endorser.

## **VI. Compliance Monitoring**

**IT IS FURTHER ORDERED** that, for the purpose of monitoring Respondent's compliance with this Order:

- A. Within 10 days of receipt of a written request from a representative of the Commission, Respondent must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury, and produce records for inspection and copying.
- B. For matters concerning this Order, representatives of the Commission are authorized to communicate directly with Respondent. Respondent must permit representatives of the Commission to interview anyone affiliated with Respondent who has agreed to such an interview. The interviewee may have counsel present.
- C. The Commission may use all other lawful means, including posing through its representatives as consumers, suppliers, or other individuals or entities, to Respondent or any individual or entity affiliated with Respondent, without the necessity of identification or prior notice. Nothing in this Order limits the Commission's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1.

## **VII. Order Effective Dates**

**IT IS FURTHER ORDERED** that this Order is final and effective upon the date of its publication on the Commission's website (ftc.gov) as a final order. This Order will terminate 20 years from the date of its issuance (which date may be stated at the end of this Order, near the Commission's seal), or 20 years from the most recent date that the United States or the Commission files a complaint (with or without an accompanying settlement) in federal court alleging any violation of this Order, whichever comes later; *provided, however*, that the filing of such a complaint will not affect the duration of:

- A. Any Provision in this Order that terminates in less than 20 years; and
- B. This Order if such complaint is filed after the Order has terminated pursuant to this Provision.

*Provided, further*, that if such complaint is dismissed or a federal court rules that Respondent did not violate any provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate according to this Provision as though the complaint had never been filed, except that the Order will not terminate between the date such

complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

By the Commission.

April J. Tabor  
Secretary

SEAL:  
ISSUED: February 8, 2023



Office of the Secretary

UNITED STATES OF AMERICA  
Federal Trade Commission  
Washington, D.C. 20580

February 8, 2023

Commenter Anonymous

Re: *In the Matter of Google LLC and iHeartMedia, Inc.*, Docket No. C-4783

Dear Anonymous:

Thank you for your comment regarding the above-referenced matter involving allegations that the respondents, Google LLC and iHeartMedia, Inc., violated Section 5 of the Federal Trade Commission (FTC) Act, 15 U.S.C. § 45(a), by disseminating deceptive first-person endorsements of Google's Pixel 4 smartphone. The Commission has placed your comment on the public record pursuant to Commission Rule 4.9(b)(6)(ii), 116 C.F.R. § 4.9(b)(6)(ii). The Commission is aided in its analysis by hearing from a variety of sources so we appreciate your feedback on this matter.

In your comment, you agree “[c]ease and desists should be the first step.” You indicate, however, that “[w]hen a company makes a decision to deceive the public for its own gain, then there is a root problem that needs to be addressed that is at the heart of the company and its owners.” To that end, you suggest that the proposed orders should criminally punish the companies, their officers, and the individual participants in the challenged conduct, including by requiring community service and ethics retraining.

The FTC Act does not authorize the Commission to impose criminal penalties for the alleged Section 5 violations. The proposed orders will bar respondents from making similar deceptive claims in the future, however, and each respondent will be liable for civil penalties of up to \$50,120 per order violation for the order's twenty-year duration. 15 U.S.C. § 5(l). In addition, our state law enforcement partners have obtained civil penalties against the respondents of \$9 million (Google) and \$400,000 (iHeartMedia).

After carefully considering your comment, the Commission has determined that the public interest is best served by issuing the Decisions and Orders in final form without modification. A copy of the final Decisions and Orders, and other relevant materials, are available from the Commission's website at [www.ftc.gov](http://www.ftc.gov). The Commission thanks you again for your comment.

By direction of the Commission.

April J. Tabor  
Secretary