

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Reverb Communications, Inc., File No. 092-3199

The Federal Trade Commission (“FTC” or “Commission”) has accepted, subject to final approval, an agreement containing a consent order from Reverb Communications, Inc. and Tracie Snitker, 100% owner and the only officer and director of the corporation (“respondents”).

The proposed consent order (“proposed order”) has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement and take appropriate action or make final the agreement’s proposed order.

This matter involves the public relations, marketing, and sales services that respondents provided to companies that developed video game applications. The Commission’s complaint alleges that, from November 2008 through May 2009, respondents’ employees, posing as ordinary consumers, posted positive product reviews online for their clients’ gaming applications. These postings did not disclose the compensated nature of the relationship between the reviewers and the publishers of the gaming applications. The complaint alleges that the respondents violated Section 5 by misrepresenting that reviews of certain gaming applications were those of independent, ordinary consumers. The complaint further alleges that the respondents violated Section 5 by failing to disclose the material connections between the product reviewers and the sellers of the reviewed products.

Part I of the proposed order prohibits the respondents, in connection with the advertising of any product or service, from misrepresenting their status as independent users or ordinary consumers of that product or service.

Part II prohibits the respondents from making any representation about any user or endorser of a product or service unless they disclose, clearly and prominently, a material connection, when one exists, between the user or endorser of the product or service and any other party involved in promoting that product or service. The proposed order defines “material connection” as any relationship that materially affects the weight or credibility of any endorsement and would not be reasonably expected by consumers.

Part III requires the respondents to take all reasonable steps to remove, with seven days of service of the order, any previously posted endorsements that do not comply with Parts I and II of the order.

Parts IV through IX of the proposed order require respondents: to keep copies of relevant consumer complaints and inquiries, documents demonstrating order compliance, and any documents relating to any representation covered by this order; to provide copies of the order to certain of their personnel; to notify the Commission of changes in corporate structure that might affect compliance obligations under the order; to notify the Commission of changes in corporate business or employment as to proposed respondent Tracie Snitker individually; and to

file compliance reports with the Commission. Part IX provides that the order will terminate after twenty (20) years, with certain exceptions.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.