

Mary K. Engle Associate Director United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

 $\{Date\}$ 

 $\{Address\}$ 

Dear {*Executive*}:

The Federal Trade Commission is the nation's consumer protection agency. As part of our consumer protection mission, we work to educate businesses about their responsibilities under truth-in-advertising laws and standards, including the FTC's Endorsement Guides.<sup>1</sup>

I am writing to call your attention to the attached Instagram post by {*Influencer*}.<sup>2</sup> {He/she} posts a picture {*description of picture*} and writes, "{*quotation from Instagram post*}."

The FTC's Endorsement Guides state that if there is a "material connection" between an endorser and the marketer of a product – in other words, a connection that might affect the weight or credibility that consumers give the endorsement – that connection should be clearly and conspicuously disclosed, unless the connection is already clear from the context of the communication containing the endorsement. Material connections could consist of a business or family relationship, monetary payment, or the provision of free products to the endorser.

The Endorsement Guides apply to marketers and endorsers. FTC staff guidance makes clear that marketers should advise endorsers of their disclosure responsibilities and should monitor their endorsements to ensure that appropriate disclosures are made.

[If your company has a business relationship with {*Influencer*}, that relationship should be clearly and conspicuously disclosed in her endorsements.] *or* [It appears that {*Influencer*} has a business relationship with your company. {*Influencer's*} material connection to your company should be clearly and conspicuously disclosed in {his/her} endorsements.] To be both "clear" and "conspicuous," the disclosure should use unambiguous language and stand out. Consumers should be able to notice the disclosure easily, and not have to look for it. For example, consumers viewing posts in their Instagram streams on mobile devices typically see only the first three lines of a longer post unless they click "more," and many consumers may not click "more." Therefore, an endorser should disclose any material connection above the "more" button. In

<sup>&</sup>lt;sup>1</sup> The Endorsement Guides are published in 16 C.F.R. Part 255.

<sup>&</sup>lt;sup>2</sup> The post is available at  $\{URL\}$ .

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addition, where there are multiple tags, hashtags, or links, readers may just skip over them, especially where they appear at the end of a long post.

If your company has a written social media policy that addresses the disclosure of material connections by endorsers, you may want to evaluate how it applies to {*Influencer's*} post and to similar posts by other endorsers. If your company does not have such a policy, you may want to consider implementing one that provides appropriate guidance to your endorsers.

You may also want to review your company's social media marketing to ensure that posts contain necessary disclosures and they are clear and conspicuous. To assist you, I have enclosed the Endorsement Guides and a recent staff publication, The FTC Endorsement Guides: What People are Asking. (They're available online at business.ftc.gov.)

If you have any questions, please contact Michael Ostheimer at (202) 326-2699 or <u>mostheimer@ftc.gov</u>. Thank you.

Very truly yours,

Mary K. Engle Associate Director Division of Advertising Practices