

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

November 13, 2023

Via E-mail
Dr. Idrees Mughal

Dear Dr. Mughal:

The Federal Trade Commission ("FTC") is an independent federal agency whose mission is to protect consumers by enforcing laws and rules that promote truth in advertising and fair business practices, and by educating consumers and businesses about their rights and responsibilities. We are writing to express concerns that your marketing practices on Instagram and TikTok may be deceptive or unfair in violation of the FTC Act.

You posted dietary advice on Instagram and TikTok endorsing the safety of aspartame. On June 30, 2023, you posted a video to Instagram and TikTok in which you stated that aspartame has "not been shown to cause cancer in humans" and that "a small adult would need up to 36 cans of diet Coke every day to be at risk, so stop freaking out over headlines." You posted a second video to Instagram on July 13, 2023 in which you stated that, "the Joint Expert Committee on Food Additives just confirmed right now that aspartame does not cause cancer in humans and that it is safe," and that, "aspartame is safe." The posts are available as Instagram Videos and Reels. It appears that you were paid by the American Beverage Association ("ABA") to make those posts.

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. "Clear and conspicuous" means that a disclosure is difficult to miss (i.e., easily noticeable) and easily understandable by ordinary consumers. Consumers should be able to notice the disclosure easily, and not have to look for it.

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We have a number of concerns about the adequacy of your disclosures regarding your apparent connection to the ABA.

First, the disclosures for your posts were not in the videos themselves. Viewers can easily watch a video without reading disclosures in a post's text description. There should be clear and conspicuous disclosures in the videos themselves, for example, by superimposing much larger text over the videos. In your videos, you made endorsements through both visual and audible means, and so the disclosures should have been made both in the videos' visual and audible portions.

Second, you relied upon the "Paid partnership" disclosure tool in making your disclosures. The Commission has previously expressed concerns about the conspicuousness of such built-in disclosure tools alone. We think it is too easy for viewers to miss seeing the "Paid partnership" disclosures in your posts. (That does not mean that you should not use such tools in addition to other disclosures).

Third, the word "#ad" or "#AD" on your Instagram and TikTok posts of June 30 and your TikTok post of July 13 appears in or below the fifth line of the text description of each post, making it insufficiently conspicuous. When people view Instagram or TikTok posts, longer descriptions are generally truncated, with only the first two or three lines displayed unless viewers click on the text description. Any required disclosure should be presented without having to click. We note that a TikTok or Instagram Reel post's text description is in small print, at the bottom of the screen, sometimes poorly contrasting, and doesn't stand out. The accompanying video usually has many competing elements. Therefore, we do not think that a disclosure in the text description of such posts is clear and conspicuous.

Finally, even if viewers read the "Paid partnership" "#ad" or "#AD" disclosures in your posts, they may be inadequate in the context of your posts because you may not have adequately identified the sponsor of the posts. Viewers might not understand that the sponsor is promoting the sale of aspartame or products containing it. Without knowing who the sponsor of the post is, viewers might not be able to adequately evaluate the weight and credibility to give your endorsement. Even the language of the "Paid partnership with ameribev" disclosures in your Instagram posts may be inadequate, as many viewers may not understand what "ameribev" is.

I am enclosing the Federal Trade Commission's Notice of Penalty Offenses Concerning Deceptive or Unfair Conduct around Endorsements and Testimonials. The notice of penalty offenses consists of Commission determinations in prior litigated cases that certain practices are deceptive or unfair and are unlawful under Section 5 of the Federal Trade Commission Act. As set forth in more detail in the notice, these acts and practices include failing to disclose a connection between an endorser and the seller of an advertised product or service, if such a connection might materially affect the weight or credibility of the endorsement and if the connection would not be reasonably expected by consumers. Copies of the case decisions discussed in the notice are available on the Commission's website at <a href="www.ftc.gov/endorsement-notice-penalty-offenses">www.ftc.gov/endorsement-notice-penalty-offenses</a>. In addition, receipt of the enclosed notice puts you on notice that

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engaging in conduct described therein could subject you to civil penalties of up to \$50,120 per violation.<sup>1</sup>

We strongly urge you to review your Instagram, TikTok, and other social media posts as to whether they contain sufficiently clear and conspicuous disclosures of any material connections. To help guide your review, please see the Endorsement Guides<sup>2</sup> and the staff publication *FTC's Endorsement Guides: What People Are Asking.*<sup>3</sup> Violations of the FTC Act may result in legal action seeking a federal district court injunction or an administrative cease and desist order.

Please notify Cassandra Rasmussen via electronic mail at <a href="mailto:crasmussen@ftc.gov">crasmussen@ftc.gov</a> within fifteen working days of receipt of this letter of the specific actions you have taken or will be taking to address FTC staff's concerns. If you have any questions regarding compliance with the FTC Act, please contact Ms. Rasmussen by email or at 202-684-0175.

Very truly yours,

Serena Viswanathan Associate Director

Division of Advertising Practices

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Enclosure

<sup>&</sup>lt;sup>1</sup> See 15 U.S.C. § 45(m)(1)(B).

<sup>&</sup>lt;sup>2</sup> See 16 C.F.R. § 255 (Jul. 26, 2023), <a href="https://www.ecfr.gov/current/title-16/chapter-I/subchapter-B/part-255">https://www.ecfr.gov/current/title-16/chapter-I/subchapter-B/part-255</a>.

<sup>&</sup>lt;sup>3</sup> FTC's Endorsement Guides: What People Are Asking, <a href="https://www.ftc.gov/business-guidance/resources/ftcs-endorsement-guides-what-people-are-asking">https://www.ftc.gov/business-guidance/resources/ftcs-endorsement-guides-what-people-are-asking</a>.

## Notice of Penalty Offenses Concerning Deceptive or Unfair Conduct around Endorsements and Testimonials

The Federal Trade Commission has determined that the following acts or practices in the use of endorsements and testimonials are deceptive or unfair and are unlawful under Section 5 of the Federal Trade Commission Act.

- It is an unfair or deceptive trade practice to make claims which represent, expressly or by implication, that a third party has endorsed a product or its performance when such third party has not in fact endorsed such product or its performance.<sup>1</sup>
- It is an unfair or deceptive trade practice for an advertiser to misrepresent that an endorsement represents the experience, views, or opinions of users or purported users of the product.<sup>2</sup>
- It is an unfair or deceptive trade practice to misrepresent an endorser as an actual user, a current user, or a recent user of a product or service.<sup>3</sup>
- It is an unfair or deceptive trade practice for an advertiser to continue to advertise an endorsement unless the advertiser has good reason to believe that the endorser continues to subscribe to the views presented in the endorsement.<sup>4</sup>
- It is an unfair or deceptive trade practice for an advertiser to use testimonials to make unsubstantiated or otherwise deceptive performance claims even if such testimonials are genuine.<sup>5</sup>
- It is an unfair or deceptive trade practice to fail to disclose a connection between an endorser and the seller of an advertised product or service, if such a connection might materially affect the weight or credibility of the endorsement and if the connection would not be reasonably expected by consumers.<sup>6</sup>
- It is an unfair or deceptive trade practice to misrepresent explicitly or implicitly through the use of testimonials that the experience described by endorsers of a product or service represents the typical or ordinary experience of users of the product or service.<sup>7</sup>

<sup>&</sup>lt;sup>1</sup> Mytinger & Casselberry, Inc., 57 F.T.C. 717 (1960); Ar-Ex Cosms., Inc., 48 F.T.C. 800 (1952); A. P. W. Paper Co., Inc., 38 F.T.C. 1 (1944); Wilbert W. Haase Co., Inc., 33 F.T.C. 662 (1941).

<sup>&</sup>lt;sup>2</sup> R. J. Reynolds Tobacco Co., 46 F.T.C. 706 (1950).

<sup>&</sup>lt;sup>3</sup> *Id.*; *Cliffdale Assocs.*, *Inc.*, 103 F.T.C. 110 (1984).

<sup>&</sup>lt;sup>4</sup> Nat'l Dynamics Corp., 82 F.T.C. 488 (1973).

<sup>&</sup>lt;sup>5</sup> Cliffdale Assocs., Inc., 103 F.T.C. 110; Macmillan, Inc., 96 F.T.C. 208 (1980); Porter & Dietsch, Inc., 90 F.T.C. 770 (1977), aff'd, 605 F.2d 294 (7th Cir. 1979).

<sup>&</sup>lt;sup>6</sup> Cliffdale Assocs., Inc., 103 F.T.C. 110.

<sup>&</sup>lt;sup>7</sup> *Id.; Porter & Dietsch, Inc.*, 90 F.T.C. 770; *Nat'l Dynamics Corp.*, 82 F.T.C. 488 (1973), *modified at* 85 F.T.C. 1052 (1975).