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FYI: FTC Approves Final Order Enforcing Endorsement and Testimonial Guides' Interpretation of Section 5

FTC Release: April 20, 2015

FTC Approves Final Order Barring AmeriFreight from Deceptively Touting Online Consumer Reviews and Failing to Disclose Incentives It Provided to Reviewers

<https://www.ftc.gov/news-events/press-releases/2015/04/ftc-approves-final-order-barring-amerifreight-deceptively-touting>

Following a public comment period, the Federal Trade Commission has approved a final consent order with AmeriFreight, an automobile shipment broker, which stops the company from touting its highly rated online reviews while failing to disclose that the company compensated consumers to write them.

According to the FTC's February 2015 complaint, AmeriFreight represented that its online reviews were those of satisfied customers, but failed to disclose that AmeriFreight compensated the reviewers with discounts and incentives. AmeriFreight gave consumers \$50 discounts to write favorable reviews, and offered consumers the chance to win an additional \$100 if their review was selected for a monthly prize.

The final order settling the FTC's complaint prohibits AmeriFreight from misrepresenting that their products or services are highly rated or top-ranked based on unbiased consumer reviews, or that customer reviews are unbiased. It also requires the company to clearly and prominently disclose any material connection, if one exists, between the company and its endorsers.

The Commission vote approving the final order was 5-0. (FTC File No. 142-3249; the staff contact is Victor DeFrancis, Bureau of Consumer Protection, 202-326-3495)

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online Complaint Assistant or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 2,000 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's website provides free information on a variety of consumer topics. Like the FTC on Facebook(link is external), follow us on Twitter(link is external), and subscribe to press releases for the latest FTC news and resources.

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