



Dealer Compliance Today publishes Andrea Cottrell's Online Reviews article

March 10th, 2024

On March 6, *Dealer Compliance Today* published Hudson Cook attorney [Andrea Cottrell's](#) article on the FTC's recent focus on enforcement of Section 5(a) of the FTC Act. The Act provides that "unfair or deceptive acts or practices in or affecting commerce ... are ... declared unlawful." According to Andrea, the FTC routinely enforces Section 5(a) in the advertising space and pays particular attention to endorsements and testimonials.

Andrea describes a recent FTC settlement with Sunday Riley Modern Skincare, LLC, charging the company and its CEO with misleading consumers by allegedly using fake product reviews posted by its employees on a well-known retail website. The FTC's complaint charges both Sunday Riley the company and Sunday Riley the CEO with two violations of the FTC Act: 1) making false or misleading claims that the fake reviews reflected the opinions of ordinary users of the products; and 2) deceptively failing to disclose that the reviews were written by Ms. Riley or her employees.

The FTC's release on this and another similar settlement states:

"Posting deceptive or inaccurate information online pollutes the e-commerce marketplace and prevents consumers from making informed purchasing decisions. With these two actions, the FTC makes it clear that it will take enforcement action against this type of illegal behavior."

Andrea cautions companies to make their marketing departments and ad agencies aware of this FTC action, and to then incorporate the FTC's guidance into their marketing and social media policies and procedures if it is not already there.

Andrea advises financial service providers on compliance with federal and state regulations and consumer protection laws, including those laws enforced by the Consumer Financial Protection Bureau, the Federal Trade Commission, the Federal Communications Commission, and other federal agencies. She regularly counsels clients on the manner in which they market to and communicate with consumers.

[Click here](#) to read the article.

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