

FTC Reviews Video Game Reviews: Settlement Holds Important Lessons for companies Who Use Influencers

[Gonzalo E. Mon](#)

October 1, 2015

Partner [Gonzalo Mon](#) authored the *Communications Lawyer* article “FTC Reviews Video Game Reviews: Settlement Holds Important Lessons for companies Who Use Influencers.” In the Fall, the Federal Trade Commission announced that an online entertainment network had agreed to settle charges that it engaged in deceptive advertising by paying “influencers” — individuals with large social media followings — to post YouTube videos endorsing Microsoft’s Xbox One system and several games. According to the FTC, influencers paid by Machinima failed to adequately disclose that they were being paid for their seemingly objective opinions. As part of the settlement, the company has agreed to take steps to ensure that influencers disclose that they have a connection to any company whose products they review. Although the settlement generated a lot of attention, this type of action is not new. In fact, the action is based on the FTC’s “Endorsement Guides,” and the Commission has challenged various high-profile companies for alleged violations. This article discusses the scope of the Guides, analyzes recent FTC actions, and provides tips for staying out of trouble.