

# FTC Settles with Company Over Failure to Post Negative Reviews

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Companies often ask us whether they can highlight positive reviews without mentioning negative ones. The good news is that there are ways to do that, but when the conversation veers from highlighting positive reviews to suppressing negative ones, things get trickier. This afternoon, the FTC announced its first case involving a company's failure to post negative reviews, and the settlement helps illustrate what companies can and cannot do.

According to a two-page complaint, Fashion Nova used a third-party online product review management interface to automatically post four- and five-star reviews to its website and hold lower-starred reviews for the company's approval. But for about four years, Fashion Nova never approved or posted hundreds of thousands of negative reviews. According to the FTC, suppressing negative reviews "deprives consumers of potentially useful information and artificially inflates the product's average star rating" in violation of Section 5 of the FTC Act.

Under the proposed settlement, Fashion Nova is prohibited from making misrepresentations about customer reviews. In addition, the company must generally post all customer reviews, with the exception of reviews that (a) are unrelated to the company's products or customer service or (b) contain obscene, sexually explicit, racist, or unlawful content, so long as the criteria is applied uniformly to all reviews. Readers should keep these guidelines in mind when filtering reviews or working with review platforms to manage reviews.

In addition to making these changes, Fashion Nova must pay \$4.2 million in monetary relief. Interestingly, although the press release cites the [FTC's October 2021 Penalty Offense letters](#) related to endorsements and testimonials, neither the complaint nor the order cite to the Penalty Offense authority or any other statutory authority for the FTC to obtain monetary relief. This could be because the actual [Penalty Offense notice](#) doesn't address the issue of suppressing negative reviews and instead focuses on misrepresentations related to endorsements and testimonials more broadly.

Finally, in conjunction with announcing the settlement with Fashion Nova, the FTC also released two guidance documents on reviews: [one geared towards marketers](#) that provides do's and don'ts for soliciting reviews and working with other companies such as comparison websites, review platforms, and SEO and reputation management companies, and the [other for platforms](#) that addresses review collection, moderation, and publication.