

FTC Sues Infomercial Company and Settles with Consumer Over False Testimonial

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Last week, the FTC and the Colorado Attorney General [filed a lawsuit](#) against a company that sells a wealth-building program through infomercials. The infomercials included various claims that consumers could make large amounts of money by using the company's program, as well as testimonials from consumers who purportedly made money through the program. Fine print disclosures stated that results would vary. According to the complaint, the claims were misleading, many of the testimonials were false, and most consumers did not earn any money.

What's unique about this case is that the complaint also named one of the consumers who provided a testimonial. According to the complaint, the consumer earned much less money than she claimed to have earned in the infomercial. The consumer agreed to settle the case against her by agreeing not to make misrepresentations in the future and to cooperate with law enforcers in their case against the remaining defendants. The order is the FTC's first against a consumer charged with making misrepresentations in a testimonial.

Advertisers should ensure that all claims in their ads -- including claims that are made by consumers -- are truthful and not misleading. As [we've noted before](#), the FTC released new guidelines that address testimonials and "results not typical" disclosures. Be sure to consult those guidelines whenever you plan to use a testimonial.