

Lessons from an Italian Christmas Scandal

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Chiara Ferragni is an Italian influencer with almost 30 million followers on Instagram. At last count, that's more than the number of followers we have at Ad Law Access, so she must be doing something right. But a recent scandal that caught the attention of Italian authorities, including the [Prime Minister](#), suggests that she may have also done a few things wrong.

In 2022, Ferragni [announced](#) that she had partnered with Italian pastry company Balocco to create a limited edition pandoro – a traditional Italian Christmas dessert similar to a panettone – and launch a campaign to “support a research project for new therapeutic treatments for children suffering from Osteosarcoma and Ewing Sarcoma” at the Regina Margherita Hospital in Turin.

Last month, the Italian Competition Authority (or “AGCM”) announced that it had concluded that social media posts and press releases promoting the campaign misled consumers by suggesting that purchasing the limited-edition pandoro for around €9 – instead of the non-branded pandoro for around €4 – would result in a charitable donation. In reality, although Balocco had made a fixed donation to the hospital in 2022, proceeds of the sales did not benefit the hospital.

AGCM announced that it would fine Balocco €420,000 and Ferragni's companies over €1 million over the misleading campaign. Ferragni [announced](#) that she is appealing the fine as disproportionate and unfair, but she also acknowledged that she had made “*un errore di comunicazione*” – a communication error – and promised to donate €1 million to the Regina Margherita Hospital.

This case unfolded in Italy, but the results could have been similar in the US. As we've [noted](#) before, charitable campaigns – including commercial co-ventures, in which companies suggest that the purchase of a product will benefit a charity – are highly-regulated, and companies can face regulatory scrutiny for getting things wrong. Make sure your ads are clear so that you avoid any communications errors.

Also remember the FTC has noted that anyone who plays a role in disseminating misleading messages could be held liable for those messages. For example, the FTC recently sent [warning letters](#) to two associations and their influencers reminding the recipients – including the influencers – that they are “on notice that engaging in conduct described therein could subject you to civil penalties of up to \$50,120 per violation.”