

NAD Releases Fast-Track SWIFT Process

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Last week, NAD launched a new, expedited process that will allow companies to challenge advertising claims made by competitors and get a decision within weeks as opposed to months. The process, "Single Well-defined Issue Fast Track" or "SWIFT" is limited to single-issue cases, condenses and simplifies the standard NAD timeline and process, and is slightly more costly.

Fast-Track Eligible Cases

Only certain single-issue cases are accepted for the fast-track review and include, for example:

- Influencer & Incentivized Reviews Disclosures;
- Native Advertising Disclosures; and
- Pricing & Sales Claims.

Cases involving the following are not be eligible for SWIFT review:

- Complex substantiation, including reviews of clinical studies;
- Complex legal analysis where the NAD can't rely on past NAD decisions; or
- Multiple advertising issues.

Changes to the Process

Fast-track review streamlines the standard NAD procedure and condenses the timeline—with the intention of arriving at a final NAD decision within 20 days. Here is the timeline:

- The Challenger files a complaint, starting the clock.
- The Advertiser has **four days** to object to the fast-track process and/or NAD's jurisdiction. NAD will decide on the objection within 10 days.
- The Advertiser has **15 days** to reply to the complaint (the objection does not extend this time).
- Remote (telephone or video) party meetings are held within **five days** of the Advertiser's reply.
- NAD will submit a final decision to the parties 20 days after Challenger files its complaint.
- The Advertiser has **five days** to submit a statement for inclusion in the published decision.

The appeals timeline is also condensed.

- The Advertiser has **three days** to inform the NAD, NARB, and the Challenger of an intent to appeal the decision.
- The Advertiser has **eight days** to submit the case file to the NAD, NARB, and the Challenger (with the appeal limited to 15 double-spaced pages).
- The Challenger has **two days** to object to the appeal (no cross-appeals allowed).
- NARB Chair has absolute discretion to choose which types of members (public, advertising agency, and/or advertiser) will comprise the review panel.
- NARB will issue a decision **three days** after the review panel hearing.

Fast-Track Review Cost

The fast-track review cost is \$5,000 higher than the standard NAD review cost. For BBB National Partners, the filing cost is \$30,000. For Challengers with gross annual revenue less than \$250 million, the cost is \$15,000. For Challengers with gross annual revenue less than \$5 billion, the cost is \$35,000. For Challengers with gross annual revenue more than \$5 billion, the cost is \$40,000. If the NAD determines a case is not eligible for fast-track review, it will only retain a \$5,000 processing fee and the Challenger has the option of filing a standard NAD challenge.