

Native Advertising Blunder Gets Media Attention

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Readers of our blog know that if a company provides people incentives to promote its products, the company needs to ensure those people clearly disclose their relationship to the company. But (for reasons we're still investigating) not everyone reads this blog, and not everyone is aware of this requirement.

Microsoft recently signed a sponsored content deal with YouTube network Machinima to promote the Xbox One gaming console. As part of the deal, Machinima recruited people to post videos promoting the Xbox One in exchange for ad dollars. Unfortunately, the videos didn't include the necessary disclosures.

Tim Peterson from AdAge wrote an article about this incident, and asked me to comment on the legal issues. [Take a look at Tim's article here.](#)