

Dear Online Retailers: The FTC Is Watching How You Handle Customer Reviews

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This week, the FTC finalized an order settling a complaint alleging that an online fashion retailer blocked negative reviews of its products on its e-commerce site. The penalty: a \$4.2 Million fine, 10 years of record keeping obligations and 20 years of compliance monitoring. The charge: the retailer automatically published four and five star reviews and put lower star reviews on hold.

The Director of the FTC's Bureau of Consumer Protection noted that "Fashion Nova is being held accountable for these practices, and other firms should take note." So what should other online retailers be doing to avoid deceiving consumers? First, implement a fair customer review publishing policy that accurately reflects the views of all customers who submit reviews. The order gives a few tips for circumstances where it might be appropriate to hold back a review (and when it would not), but on the whole, relevant

reviews must be published so consumer can get the full picture. The FTC has also released some tips for brands operating in this space: [Soliciting and Paying for Online Reviews: A Guide for Marketers](#). And if your brand employs another company to help with its online reviews, make sure they are following the guidance in the FTC's [Featuring Online Customer Reviews: A Guide for Platforms](#). Ultimately, your company can be held responsible for actions undertaken by contractors you employ to help manage the publication of reviews for your brand.