

Insights

EARLY REVIEWS ARE IN: FTC FLAGS POTENTIAL VIOLATIONS OF CONSUMER REVIEWS RULE

Jan 06, 2026

Companies would be wise to start the new year by reviewing their policies for compliance with the FTC Rule on Consumer Reviews & Testimonials, as warning letters sent by the Federal Trade Commission signal that this may be an area for scrutiny and heightened enforcement in the coming year.

The FTC, on December 22, 2025, sent warning letters to 10 unnamed companies over potential violations of the agency's Consumer Review Rule, which prohibits deceptive or unfair practices related to the use of product reviews and testimonials in advertising and marketing. These warning letters show the elevated enforcement risk for online retailers that make use of consumer reviews, testimonials, or social media feedback. We recommend clients carefully analyze whether the FTC's allegations could also apply to a client's business.

The letters, based on consumer complaints and information provided by the companies, caution recipients that violations could lead to federal lawsuits, other enforcement actions, and civil penalties of up to \$53,088 per violation.

The FTC's Final Rule on Consumer Reviews & Testimonials was published in September 2024, and prohibits a range of deceptive review practices related to the solicitation, collection, moderation, and publication of consumer reviews. We issued a six-part series on the Rule, which:

- Prohibits creation, sale, or dissemination of reviews or testimonials that misrepresent whether a reviewer had any experience—positive or negative—with the product or service, or whether they used it at all.
- Prohibits businesses from offering compensation or other incentives conditioned on a specific review sentiment, whether positive or negative.
- Requires clear and conspicuous disclosure when reviews are written by company insiders (officers, managers, employees, agents) or their immediate relatives.
- Prohibits soliciting employee or relative reviews without disclosure.

- Bars misrepresenting company-controlled websites as independent sources of reviews or rankings.
- Forbids suppressing or selectively displaying reviews based on their negative sentiment or rating, as well as the use of intimidation or threats to remove negative reviews.
- Prohibits selling, buying, or using fake indicators (e.g., followers or views) to misrepresent social media influence.

The FTC's letters do not constitute formal findings of violations, but may serve as a precursor to future enforcement actions, and send a clear signal that online businesses relying on consumer reviews and testimonials are now subject to heightened regulatory oversight and may face stiff penalties for noncompliance.

Companies relying on, or using, user reviews should assess their current review-related practices—including how reviews are collected, moderated, and displayed—to ensure full compliance with the Rule. Proactive compliance measures can help mitigate the risk of enforcement actions and demonstrate commitment to transparency and consumer protection.

For questions or more information, or to schedule a client webinar, contact the authors listed, [Merrit Jones](#), Co-Leader of BCLP's Advertising & Retail Sector, [David B. Schwartz](#), BCLP partner and former Lead Investigative Attorney with the FTC, [Rebecca Nelson](#), BCLP Partner and U.S. Leader, Antitrust & Competition, and [Lily Rudy](#), Counsel and former Staff Attorney at the FTC.

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