

[US] Gameplay videos have to be labeled as advertisements

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The United States Federal Trade Commission (FTC) announced on 11 July 2016 that it had reached a settlement with Warner Brothers Entertainment ("Warner Brothers") to resolve allegations that it deceived consumers during a marketing campaign for a video game. The FTC's complaint stems from an online marketing campaign that Warner Brothers undertook in 2014 to generate publicity within the gaming community for the new release of Middle Earth: Shadow of Mordor, a fantasy role-playing game. Warner Brothers paid "influencers" tens to hundreds of thousands of dollars and told them how to promote the game. The FTC alleged that Warner Brothers deceived its consumers by failing to adequately disclose that it paid online "influencers" and required the "influencers" to promote the game in a positive way without disclosing any bugs or glitches. The complaint also alleged that any disclosures were deceptive because they were in a description box below the video that were visible only if consumers clicked on a "Show More" button, and when "influencers" posted YouTube videos on Facebook or Twitter, the postings did not include the "Show More" button.

Under the proposed FTC order, Warner Brothers is required to make such disclosures in the future, accurately represent sponsored content, and clearly and conspicuously disclose any material connection between Warner Brothers and any "influencers" or endorser. It also outlines specific steps they must take in conducting similar marketing campaigns in the future. The settlement agreement is subject to public comment for 30 days, after which it will decide whether to make the proposed consent order final.

Agreement containing concent order of the United States Federal Trade Commission in the matter of Warner Bros. Home Entertainment Inc., File No. 152 3034, 11 July 2016

<https://www.ftc.gov/system/files/documents/cases/160711warnerbrosagree.pdf>

