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DEVELOPMENTS IN E-COMMERCE, PRIVACY, INTERNET ADVERTISING, MARKETING AND INFORMATION SERVICES LAW AND POLICY

MAY 2011

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Special Report: Summary of FTC Request for Comments on Updating Its "Dot Com Disclosures: Information About Online Advertising"

The Federal Trade Commission ("FTC' or "Commission") announced on May 26, 2011 that it was updating its *Dot Com Disclosures: Information About Online Advertising*¹ guidance document and would seek comments through July 11, 2011. The primary focus of the document, which has not been revised since it was first issued in 2000, informs advertisers that consumer protection laws and the requirement to provide clear and conspicuous disclosures applies to the online world in addition to the offline world. At the time of the document's original release, consumers were just beginning to explore ecommerce and the Commission was concerned with fraud and deception on the Internet.

Over ten years later, the Commission has decided that the Dot Com Disclosures document may warrant an update in light of technological advances. Such advances include those such as the development of mobile marketing, the introduction of Apps, the use of pop-up blockers, and the prevalence and nature of online social networks.

Through July 11th, the Commission will be seeking general comments on how the Dot Com Disclosures document should be updated, as well as specific comments on the following questions from the notice:

- 1. What issues have been raised by online technologies or Internet activities or features that have emerged since the business guide was issued (e.g., mobile marketing, including screen size) that should be addressed in a revised guidance document?
- 2. What issues raised by new technologies or Internet activities or features on the horizon should be addressed in a revised business guide?
- 3. What issues raised by new laws or regulations should be addressed in a revised guidance document?
- 4. What research or other information regarding the online marketplace, online advertising techniques, or consumer online behavior should the staff consider in revising "Dot Com Disclosures"?
- 5. What research or other information regarding the effectiveness of

disclosures – and, in particular, online disclosures – should the staff consider in revising "Dot Com Disclosures"?

- 6. What specific types of online disclosures, if any, raise unique issues that should be considered separately from general disclosure requirements?
- 7. What guidance in the original "Dot Com Disclosures" document is outdated or unnecessary?
- 8. What guidance in "Dot Com Disclosures" should be clarified, expanded, strengthened, or limited?
- 9. What issues relating to disclosures have arisen from such multi-party selling arrangements in Internet commerce as (1) established online sellers providing a platform for other firms to market and sell their products online, (2) website operators being compensated for referring consumers to other Internet sites that offer products and services, and (3) other affiliate marketing arrangements?
- 10. What additional issues or principles relating to online advertising should be addressed in the business guidance document?
- 11. What other changes, if any, should be made to "Dot Com Disclosures"?

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¹ FTC, Dot Com Disclosures: Information About Online Advertising (2000), *available at* http://business.ftc.gov/documents/bus41-dot-com-disclosures-information-about-online-advertising.pdf.