

Parents Must Always Be Cautious

By Reg P. Wydeven
April 25, 2009

My friend, Steve, from work is never shy about sharing his opinion. With very little prodding, he'll let you know how he feels about sports, politics, religion or just about any other topic you can think of. Unlike most people that fit into this category, Steve is very intelligent and extremely well-read, therefore, his opinions are astute and insightful.

Steve's takes on various subjects are so interesting and entertaining that people frequently seek them out. In fact, they have become so popular that he has started a newsletter called 'The Weekly Blab.' In it, Steve comments on current events, he rants and raves about topics in the news and he even has a joke section. He sends the Blab out by email to his friends and family, and its circulation has grown so much it competes with USA Today.

On top of this, Steve is an accomplished cook and old movie buff. With his flair for writing and sense of humor, it wouldn't be much of a stretch for him to become an amateur food or film critic. But if proposed regulations recently issued by the Federal Trade Commission go into effect, Steve may be very reluctant to get into the critiquing business.

The FTC is looking at applying existing principles of advertising law to new forms of media, including online blogging. The Commission seeks to regulate bloggers out of fear that they are possibly violating good business practices.

One practice these new regulations would seek to deter would impact online bloggers who review and possibly endorse products in exchange for payment or free products. The FTC wants to ensure consumers know these bloggers are advertising for the products' manufacturers.

Maybe the biggest industry these rules will affect are parenting blogs. Parents fear the proposed regulations will hurt their ability to get trusted information on baby goods. Experts estimate that 80 percent of moms buy a product based upon the recommendation of another mother. On top of that, they further approximate that 87 percent of mothers read one or more of the estimated hundreds of thousands of parenting blogs on the web.

Maternally-backed products have always sold well. I remember learning as a kid that choosy moms choose Jif, while Kix cereal was kid tested and mother approved. Manufacturers and marketers know this. After all, American moms currently spend approximately \$2.1 trillion annually and that number is projected to increase to \$3 trillion by 2012.

Whether or not the new rules are adopted, experts advise bloggers that honesty is the best policy when it comes to product reviews. Bloggers should establish a disclosure policy and have clear disclaimers informing readers of their relationship with companies and if they're being paid for their reviews or not.

The FTC expects to decide on the proposed regulations sometime this summer. If the rules are adopted, violators should expect to face cease-and-desist orders or requirements to reimburse consumers who believed they bought the product under false pretenses.

On the political spectrum, my friend, Steve, is so far to the right I'm not sure he can see the middle any more. Therefore, he has strong views on capitalism, government over-regulation and free speech. If I ask, I'll bet he'll let me know his thoughts about the FTC's proposed regulations. And hopefully I've got a while.

This article originally appeared in the Appleton Post-Crescent newspaper and is reprinted with the permission of Gannett Co., Inc. © 2009 McCarty Law LLP. All rights reserved.