Blogs

August 01, 2023 Sustainability Advertising: US and EU Regulators Boost Guidance & Enforcement



With sustainability so much "top of mind" for those in our community, it's worth knowing some high-level trends in other areas of law that intersect with disclosure. Here is a <u>Client Update</u> worth reading when it comes to sustainability advertising. Here's the intro from that:

"Brands continue to promote sustainable and eco-friendly qualities of their products and services, and regulators are sharpening their enforcement tools in response. Both the United States and European Union took steps in the past year to add to their guidance and enforcement mechanisms related to green advertising. Regulators are clearly concerned about green advertising claims, and in particular the use of terms that could convey multiple meanings such as 'sustainable,' 'compostable,' and 'recycled content,' as well as ensuring that brands have credible substantiation for their claims.

Of course, while brands review the latest regulatory guidance, they should also remember that such claims can trigger challenges in the United States from consumer class action lawyers, competitors, and the National Advertising Division (NAD), a self-regulatory forum. 'Aspirational claims' in particular—claims that make promises about future environmental goals—can still generate risk for brands."

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