

Key Update:

- The Federal Trade Commission (FTC) will host a virtual event on October 19, 2022, titled "Protecting Kids From Stealth Advertising in Digital Media." The FTC is also seeking public feedback on how digital advertising and marketing affect children.
- The Children's Advertising Review Unit (CARU) of BBB National Programs issued a <u>compliance warning</u> reminding advertisers that the <u>Self-Regulatory Guidelines for Children's Advertising</u> (Advertising Guidelines) apply to advertising directed to children in the metaverse.
- Brands should be aware of this increased scrutiny by the FTC and CARU when engaging in advertising to children in digital media.

FTC Will Host Virtual Event and Seeks Public Input Regarding Digital Advertising to Children

The FTC will host a virtual event on October 19, 2022, titled "Protecting Kids From Stealth Advertising in Digital Media" to discuss advertising to children online. Topics include the efficacy of disclosures for children, blurred content in digital marketing, and children's developmental capacity to recognize and understand advertising.

The FTC is also seeking public input on how children are affected by digital advertising, particularly marketing that blurs the line between entertainment and advertising content. Anyone who wants to comment to the FTC on this topic can do so before or after the event by following the instructions on this <u>event page</u> by November 18, 2022.

CARU Issues Metaverse Compliance Warning

CARU also issued a <u>compliance warning</u> on August 23, 2022, addressing the applicability of its Advertising Guidelines to the metaverse. In the compliance notice, CARU emphasized that the Advertising Guidelines apply to all advertising, in any medium, directed to children under the age of 13. CARU reminded brands that, in the metaverse, they should (1) avoid blurring advertising and non-advertising content, (2) clearly disclose influencer and endorser claims, (3) avoid the use of dark patterns, and (4) use clear and conspicuous disclosures.

For more information about the Advertising Guidelines, last revised and effective January 1, 2022, see our blog post "<u>CARU Updates Children's Advertising Guidelines</u>."

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