

**FTC POLICY STATEMENT REGARDING ADVERTISING SUBSTANTIATION**

*Introduction*

On March 11, 1983, the Commission published a notice requesting comments on its advertising substantiation program.<sup>1</sup> To facilitate analysis of the program, the notice

makes, they should generally be aware of reasonable interpretations and will be expected to have prior substantiation for such claims. The Commission will take care to assure that it only challenges reasonable interpretations of advertising claims.<sup>3</sup>

*Procedures for Obtaining Substantiation*

In the past, the Commission has sought substantiation from firms in two different ways: through industry-wide "rounds" that involved publicized inquiries with identical or substantially similar demands to a number of firms within a targeted industry or to firms in different industries making the same type of claim; and on a case-by-case basis, by sending specific requests to individual companies under investigation. The Commission's

~~review indicates that "rounds" have been costly to both the recipient and to the agency.~~

and have produced little or no law enforcement benefit over a case-by-case approach.

The Commission's traditional investigatory procedures allow the staff to investigate a

claim was made; and

~~Why deciding the need for an advertisement is a commercial decision.~~

that lacked a reasonable basis prior to disseminating an advertisement.

First, using post-claim evidence to evaluate the truth of a claim, or otherwise using such  
evidence in deciding whether there is a public interest in continuing advertisement or

<sup>2</sup> Nor presumably would an advertiser have made such claims unless the advertiser thought they would be material to consumers.