

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, DC 20580

Office of the Secretary

November 17, 2016

Bouya
Commonwealth of Pennsylvania

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

The Federal Trade Commission's proposed consent agreement with Warner Bros. settles charges that the company failed to adequately disclose that it paid online influencers to post positive gameplay videos about its video game, *Middle Earth: Shadow of Mordor*, on YouTube and other social media sites. The proposed order enjoins such conduct in the future and requires Warner Bros. to follow certain monitoring and compliance procedures related to its use of influencer campaigns.

You commented that the Commission's settlement was insufficient "punishment" for the conduct involved. However, the Commission's proposed consent order includes strong injunctive relief to prevent future violations. Further, if Warner Bros. violates this proposed

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Brendan Caven
State of Wisconsin

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Dear Mr. Caven:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

The Federal Trade Commission's proposed consent agreement with Warner Bros. settles charges that the company failed to adequately disclose that it paid online influencers to post positive gameplay videos about its video game, *Middle Earth: Shadow of Mordor*, on YouTube and other social media sites. The proposed order enjoins such conduct in the future and requires Warner Bros. to follow certain monitoring and compliance procedures related to its use of influencer campaigns.

Your comment expresses general support for the Commission's action and concern about companies meeting their obligations to distinguish paid advertising from other content. The proposed order will require Warner Bros. to adequately disclose paid endorsements in future influencer campaigns. Further, the Commission routinely engages in compliance efforts to ensure that other companies are also providing sufficient disclosures in compliance with Section 5 of the FTC Act. The Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources, and we thank you again for your comment.

By direction of the Commission.

Donald S

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November 17, 2016

Len Diamond
State of California

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Dear Mr. Diamond:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

The Federal Trade Commission's proposed consent agreement with Warner Bros. settles charges that the company failed to adequately disclose that it paid online influencers to post positive gameplay videos about its video game, *Middle Earth: Shadow of Mordor*, on YouTube and other social media sites. The proposed order enjoins such conduct in the future and requires Warner Bros. to follow certain monitoring and compliance procedures related to its use of influencer campaigns.

You commented that the Commission's settlement should have included a financial penalty or disgorgement of profits. However, the Commission's proposed consent order includes strong injunctive relief to prevent future violations. Further, if Warner Bros. violates this proposed order in the future, it would be liable for civil penalties of up to \$40,000 per violation, pursuant to Section 5(1) of the FTC Act, 15 U.S.C. § 45(1). As is the case with all Commission orders, Commission staff will closely monitor Warner Bros.' future activities to determine whether any violations occur. In addition, please note that the Commission's proposed complaint alleges initial violations of Section 5 of the FTC Act, and the Commission is not authorized to collect fines or penalties based on such violations.

Accordingly, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources, and we thank you again for your comment.

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November 17, 2016

David Harkness
State of California

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Dear Mr. Harkness:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

The Federal Trade Commission's proposed consent agreement with Warner Bros. settles charges that the company failed to adequately disclose that it paid online influencers to post positive gameplay videos about its video game, *Middle Earth: Shadow of Mordor*, on YouTube and other social media sites. The proposed order enjoins such conduct in the future and requires Warner Bros. to follow certain monitoring and compliance procedures related to its use of influencer campaigns.

You commented that the Commission's settlement should have included a fine or penalty. However, the Commission's proposed consent order includes strong injunctive relief to prevent future violations. Further, if Warner Bros. violates this proposed order in the future, it would be liable for civil penalties of up to \$40,000 per violation, pursuant to Section 5(1) of the FTC Act, 15 U.S.C. § 45(1). As is the case with all Commission orders, Commission staff will closely monitor Warner Bros.' future activities to determine whether any violations occur. In addition, please note that the Commission's proposed complaint alleges initial violations of Section 5 of the FTC Act, and the Commission is not authorized to collect fines or penalties based on such violations.

Accordingly, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources, and we thank you again for your comment.

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November 17, 2016

William Hart
State of Illinois

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Dear Mr. Hart:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

The Federal Trade Commission's proposed consent agreement with Warner Bros. settles charges that the company failed to adequately disclose that it paid online influencers to post positive gameplay videos about its video game, *Middle Earth: Shadow of Mordor*, on YouTube and other social media sites. The proposed order enjoins such conduct in the future and requires Warner Bros. to follow certain monitoring and compliance procedures related to its use of influencer campaigns.

You indicate that you purchased the game at issue in this action based on the reviews described in the proposed complaint and that you would like to get your money back. In any given case, the Commission may consider many factors in determining whether consumer redress is feasible and appropriate, including whether any alleged misrepresentations involve a product's core features and function, and the extent to which consumers injured by such misrepresentations are identifiable. In this action, the Commission determined that the conduct relief obtained via the proposed settlement is appropriate to remedy the violations alleged in the proposed complaint. Further, if Warner Bros. violates the proposed order, it would be liable for civil penalties of up to \$40,000 per violation, pursuant to Section 5(1) of the FTC Act, 15 U.S.C. § 45(1). As is the case with all Commission orders, Commission staff will closely monitor Warner Bros.' future activities to determine whether any violations occur.

Accordingly, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>.

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November 17, 2016

Phillip Hecht
State of California

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Dear Mr. Hecht:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission'

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Kevin Lee
State of California

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
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Dear Mr. Lee:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

The Federal Trade Commission's proposed consent agreement with Warner Bros. settles charges that the company failed to adequately disclose that it paid online influencers to post positive gameplay videos about its video game, *Middle Earth: Shadow of Mordor*, on YouTube and other social media sites. The proposed order enjoins such conduct in the future and requires Warner Bros. to follow certain monitoring and compliance procedures related to its use of influencer campaigns.

Your comment expresses general support for the Commission's action and urges the Commission to hold other companies accountable for conduct similar to the allegations in the proposed complaint. The proposed order will require Warner Bros. to adequately disclose paid endorsements in future influencer campaigns. Further, the Commission routinely engages in compliance efforts to ensure that other companies are also providing sufficient disclosures in compliance with Section 5 of the FTC Act. The Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources, and we thank you again for your comment.

By direction of the Commission.

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Secretary

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November 17, 2016

Danny Maclure
Outside the United States

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Dear Mr. Maclure:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

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Your comment expresses your belief that game reviews – like those at issue in this action – cannot be accurate if the reviewer has received money from or signed a contract with the advertiser. The proposed order will require Warner Bros. to adequately disclose paid endorsements in future influencer campaigns. Further, the Commission routinely engages in compliance efforts to ensure that other companies are also providing sufficient disclosures in compliance with Section 5 of the FTC Act. The Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources, and we thank you again for your comment.

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Messer
Outside the United States

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Thank you for commenting on the Federal Trade Commission's proposed consent

Accordingly, the Commission has determined that the public interest would best be served by issuing the Decision and Order in final form without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources, and we thank you again for your comment.

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November 17, 2016

Nikola Smoljanovic
Outside the United States

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
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Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

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You commented that the Commission's settlement should have included a fine. However, the Commission's proposed consent order includes strong injunctive relief to prevent future violations. Further, if Warner Bros. violates this proposed order in the future, it would be liable for civil penalties of up to \$40,000 per violation, pursuant to Section 5(1) of the FTC Act, 15 U.S.C. § 45(1).

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November 17, 2016

John Waechter
State of Maryland

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Dear Mr. Waechter:

Thank you for commenting on the Federal Trade Commission's Proposed Rulemaking on the Commission's (r)1-2(T)6(rs)-1(e)-(de62(l)-2(1(Tf (

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Dane Whalen
Commonwealth of Pennsylvania

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
File No. 152-3034, Docket No. C-4595

Dear Mr. Whalen:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 1.901.

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Timur Zavidov
State of Arizona

Re: *In the Matter of Warner Bros. Home Entertainment Inc.*
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Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on
