

The FTC's Response to the Coronavirus Pandemic: Consumer Protection Priorities and Initial Actions

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Advertising and Consumer Protection

The Federal Trade Commission has traditionally responded forcefully to public health and economic crises, and it is doing so again in response to the coronavirus pandemic. The current crisis does present some additional complications, however, because of its impact on the operations of the agency itself. Three particular aspects of the FTC's consumer protection-related response stand out: (1) continuation of the agency's scrutiny of false and deceptive product claims that seek to capitalize on the fears of consumers, (2) signs that the agency will work with businesses to accommodate the special pressures of the crisis, and (3) continuation but postponement of other, non-enforcement activities.

The FTC's first consumer protection priority in response to the coronavirus pandemic has been to focus on especially egregious marketing scams that target particularly vulnerable populations. The FTC has already issued a number of warning letters to [sellers of supposed COVID-19 cures ranging from tea to edible silver](#) and to [voice over internet protocol \("VoIP"\) service providers facilitating illegal coronavirus-related calls](#). Fraud reports continue to rise rapidly: the FTC [has received 7,800 coronavirus-related complaints this year](#), and almost half of these were filed in the last week.

In addition to enforcement, the FTC is also prioritizing working with businesses that provide goods and services necessary to respond to COVID-19. While [FTC Chairman Joe Simons has emphasized](#) that the FTC "will not tolerate businesses seeking to take advantage of consumers' concerns and fears" regarding coronavirus, he also emphasized that the Commission will be "flexible" in enforcing compliance requirements that may hinder the production of important goods and services. Simons further noted that the FTC is "ready to assist" businesses with guidance on compliance and consumer protection issues during this uncertain time.

As enforcement and guidance take priority in these extraordinary circumstances, the FTC has de-emphasized some of its other activities. The FTC [has cancelled its participation in most conferences and public events](#). And while non-enforcement proceedings such as rulemakings are still ongoing, a number of deadlines have been extended to allow more flexibility for the FTC and participants. Notably, the Commission has extended the comment deadlines by sixty days for both the [Funeral Rule](#) and the [Endorsement Guides](#) proceedings, with comments now due in June rather than April.

Covington will continue to monitor the FTC's response to this unprecedented situation and will provide further updates as it evolves.

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