

Attorney General James Secures \$100,000 from Cameo over Misleading Videos

Cameo Failed to Ensure Videos Promoting Products were Properly Labeled as Paid Endorsements

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NEW YORK – New York Attorney General Letitia James today announced a bipartisan, 30state settlement with the owner of Cameo, Baron App Inc., for failing to ensure consumers knew that videos promoting products were paid endorsements. Under the settlement agreement, Cameo must pay \$100,000 in penalties, including \$25,000 to New York state, and implement programs to help ensure that all paid advertisements are properly labeled. In 2020, Cameo, a platform where people can pay celebrities to record videos with scripted personal messages, launched a service called Business Cameo that allows companies to pay celebrities to record videos endorsing their products. The Office of the Attorney General (OAG) found that Cameo failed to implement measures to ensure those videos were properly disclosed as paid endorsements, which violated endorsement rules issued by the Federal Trade Commission (FTC) and New York's consumer protection laws.

"For many New Yorkers, cameo videos are fun to watch and share, but consumers deserve to know when they are watching a paid ad or a real review," said **Attorney General James**. "Videos that are properly labeled as paid ads help consumers make conscious decisions about what to buy, and Cameo was not doing enough to protect viewers. Today's settlement will ensure that Cameo steps up to make sure videos are properly labeled and consumers are not misled."

In 2020, Cameo launched a service called Business Cameo that allows businesses to hire celebrities through their platform to record videos endorsing their goods or services. New York consumer protection law and FTC Endorsement Guides require taking steps to

ensure such endorsements are not deceptive, but celebrities posted Business Cameos without making appropriate disclosures. The unlabeled Business Cameos appeared as regular videos of celebrities giving positive reviews of a product or service without disclosing that they were being paid to promote the product or service.

Under the settlement, Cameo is required to set up policies and programs to help ensure users properly disclose all paid endorsements. This includes maintaining a watermark system to indicate a video was booked through Cameo, requiring acknowledgements from brands and celebrities that they must comply with rules and regulations around endorsements, creating a reporting system, and monitoring for noncompliance.

Joining Attorney General James in leading this multistate settlement are the attorneys general of Florida, Illinois, and Texas. States participating in this settlement include: Alabama, Alaska, Arkansas, California, Colorado, Georgia, Hawaii, Idaho, Kentucky, Louisiana, Michigan, Minnesota, Montana, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Virginia, Washington, and Wisconsin.

This is the latest action taken by Attorney General James to protect consumers from deceptive practices. Last month, Attorney General James secured \$700 million from Johnson & Johnson for deceptively marketing products containing talcum powder, endangering consumers lives. Additionally, Attorney General James reached a settlement with the three largest mobile phone carriers over deceptive advertising practices and won a federal jury trial against Quincy Bioscience, finding that they made fraudulent and deceptive statements about their supplement Prevagen. Last summer, Attorney General James, in collaboration with the FTC, secured \$1.6 million from an online apartment finder for defrauding renters by publishing unverified listings.

This matter was handled by Assistant Attorney General Jina John and former Assistant Attorneys General Noah Stein and Ezra Sternstein of the Bureau of Internet and Technology, under the supervision of Bureau Chief Kim Berger and Deputy Bureau Chief Clark Russell. The Bureau of Internet and Technology is part of the Division for Economic Justice, which is led by Chief Deputy Attorney General Chris D'Angelo and overseen by First Deputy Attorney General Jennifer Levy.