FLACKABLE®

July 9, 2020

Andrew Smith
Director, Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Director Smith:

I am writing as the owner of a public relations agency and a fierce defender of ethical journalism and freedom of press, and I would like to bring to your attention the dubious trend of payola and bribery plaguing both my industry and the news media industry alike. My hope is that the Federal Trade Commission will, upon review of this letter, launch an investigation into news media payola schemes with the urgency and tenacity this matter deserves. This underground practice is largely driven by unethical publicity brokers posing as public relations practitioners under the guise of "guaranteed placement" or "pay-per-placement" offers. Payola arrangements undermine the integrity of ethical media organizations and harm media consumers by allowing biased content to be published and distributed in exchange for undisclosed gifts, favors and direct payments.

This dark media ploy has gained national attention in recent weeks due to charges and complaints issued against disgraced lobbyist Jack Abramoff. On June 25th, the Department of Justice announced the indictments of Abramoff and AML BitCoin CEO Rowland Marcus Andrade. Among the charges, Abramoff allegedly paid writers to publish and disseminate articles touting AML BitCoin. In a related complaint filed the same day, the Securities and Exchange Commission alleged in a press release that Abramoff arranged payments for "purportedly independent articles" about AML BitCoin which contained many misleading statements. The fact is, from my observations, these types of schemes occur constantly, and rogue freelancers and contributors within some of the most trusted American news media outlets are secretly accepting bribes in exchange for publishing biased articles.

It is my understanding that in recent years, the Federal Trade Commission has engaged in heightened oversight and enforcement related to influencers and marketers on social media, often sending letters of misconduct to those who failed to disclose paid sponsorships. I am requesting the Federal Trade Commission to take similar measures to help deter brands and publicity brokers from orchestrating payola schemes. Since these secret payola arrangements often occur between outside contributors and publicity brokers, it is unreasonable to expect publishers to adequately deter, detect and defend against payola without assistance from your agency. The Federal Trade Commission has the power to investigate and institute penalties for payola violations that private media companies do not. Your agency has an opportunity to root out payola at the source, and that starts with pay-per-placement publicity brokers.

I ask the Federal Trade Commission to investigate and implement warnings and penalties against pay-per-placement publicity brokers instigating this dark media ploy, protecting media consumers from biased and misleading content produced by bad actors. You will be shocked when you discover just how common and prolific these schemes are. I am eager and willing to speak with members of your agency, providing in-depth background and clear starting points for your investigation. Thank you for your review of my request, and I look forward to an opportunity to work with your agency to address this urgent matter and defend the honor and integrity of American news media.

Sincerely,

Brian Hart

Brian Hart, Founder & President of Flackable
brian@flackable.com

cc: Joseph J. Simons, Chairman; Cathy MacFarlane, Office of Public Affairs