

The Ad Standard: Monthly Update

November 2025

This week FTC Commissioner Melissa Holyoak identified three top priorities for the Commission in her remarks at the Association of National Advertisers Master of Advertising Law Conference. The priorities include protecting children and teens, with aggressive enforcement of the Children’s Online Privacy Protection Act (COPPA), enforcing its Made in U.S.A. Rule, and ensuring price transparency, with a reference to enforcing the Restore Online Shoppers’ Confidence Act (ROSCA). The Commissioner noted that the second two priorities address both protecting consumers and fair competition. Enforcement actions this month reflect the FTC’s focus on both protecting consumers and competition as it filed a lawsuit against Zillow and Redfin alleging that the competitors eliminated competition with an agreement to refrain from advertising multifamily rental properties on Redfin. Two other enforcement actions alleged that companies falsely impersonated government agencies to defraud consumers.

Class actions filed this month targeted several different product categories including personal care products, medical devices, children’s products, and supplements. New class actions have also targeted areas that watchdogs have argued require more regulatory scrutiny, including allegations that (1) dietary supplement claims lack adequate substantiation, (2) products contain harmful ingredients, including heavy metals or addictive substances, and (3) products do not contain the claimed amount of touted ingredients.

NAD had an active month reviewing health-related claims, including two challenges to prescription drug products. In one noteworthy case, NAD analyzed whether data derived from post hoc analyses of clinical studies could provide a reasonable basis for a health-related claim, as well as the number of people who must achieve the touted benefit for the claim to be truthful.

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FTC Focus

Deceptive Conduct

1. False impersonation of government agencies, deceptive promises of tax debt relief, and threats to consumers about their debts were halted following a complaint brought by the FTC and State of Nevada in federal court. The FTC alleged that Terrance Selb and Tyler Bennett, the operators of American Tax Service (ATS), would contact consumers through telemarketing calls or in response to inbound calls resulting from direct mail and online ads and falsely claim that they could settle taxpayers' back taxes for "pennies on the dollar." Christopher Mufarrige, the FTC's Bureau of Consumer Protection Director, stated that, "The FTC will not hesitate to act to stop companies like ATS that target hard-working Americans with bogus debt relief services." The FTC alleged that the conduct of ATS violated the FTC Act, Gramm-Leach-Bliley Act, the Telemarketing Sales Rule and the Impersonation Rule.

[FTC, State of Nevada Sue to Stop Tax Debt Relief Scammers from Falsely Impersonating the Government, Making False Claims and Threats to Consumers | Federal Trade Commission](#)

2. The FTC settled with Citizens Disability, LLC over allegations that the company falsely claimed to consumers it was calling in response to inquiries about Social Security Disability Insurance (SSDI) benefits. Citizens Disability, which assists consumers in applying for SSDI benefits, and its subsidiary CD Media will pay a \$1 million penalty to resolve FTC allegations that they violated the Telemarketing Sales Rule and the FTC Act by making millions of illegal calls to consumers. According to the complaint, Citizens Disability and its subsidiary use lead generators to obtain lists of consumers for their telemarketers to call. The lists are generated via websites that deceptively induce consumers, many of whom are lower-income or disabled, into providing their information through attractive sweepstakes, coupons, and service offers, but fail to disclose that their personal contact information will be used for telemarketing calls.

[Citizens Disability to Pay \\$1 Million over FTC Charges that it Made Tens of Millions of Illegal and Misleading Calls to Consumers Nationwide | Federal Trade Commission](#)

Class Actions

Products

Personal Care Products

A plaintiff commenced a putative class action alleging that Edgewell Personal Care Brands LLC advertises its sunscreen product "Hawaiian Tropic Everyday Active SPF 50 Sport Sunscreen Lotion" in a false and misleading manner by representing that it provides an SPF that is higher than the SPF 20 protection that the product actually provides. Among other claims, the plaintiff asserts violations of the Illinois Consumer Fraud and Deceptive Business Practices Act, which protects consumers from fraud, unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce and Florida's Deceptive and Unfair Trade Practices Act, which prohibits "unfair methods of

competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce.”

Giannese v. Edgewell Personal Care Brands, LLC, No. 3:25-cv-01717 (D. Conn. Oct. 10, 2025)

A plaintiff commenced a class action alleging that Arcadia Consumer Healthcare Inc.’s, Fungi-Nail products have front labels stating that the product “Kills Fungus” but that the product is not meant to treat nail fungus, nor is it effective at doing so. The complaint notes that the product’s fine-print back label states that “This product is not effective on the scalp or nails.” Among other causes of action, the plaintiff asserts that Arcadia has violated the North Carolina’s Unfair and Deceptive Trade Practices Act.

Duffey v. Arcadia Consumer Healthcare Inc., No. 5:25-cv-00652 (E.D.N.C. Oct. 14, 2025)

Plaintiffs commenced a class action alleging that Colgate-Palmolive Company makes misleading and deceptive statements on the packaging of its hello kids toothpaste, which features child-friendly packaging and flavors, and touts the products’ efficacy (“prevents cavities/ polishes + brightens / tastes awesome”) and the absence of any undesirable ingredients or elements (“no: artificial sweeteners/dyes/artificial flavors/preservatives/parabens/SLS”), but it in fact contains lead. Plaintiffs assert that Colgate has violated California’s Consumer Legal Remedies Act, False Advertising Law, and Unfair Competition Law.

Barton v. Colgate-Palmolive Co., No. 3:25-cv-02833 (S.D. Cal. Oct. 22, 2025)

Supplements

A plaintiff commenced a class action alleging that Reckitt Benckiser LLC and RB Health (US) LLC market and sell brain health supplements under the brand name Nueriva that contain two main active ingredients—soy-derived phosphatidylserine and coffee cherry extract, which the products’ labels represent help one’s memory, focus, concentration, learning, and accuracy. The plaintiff alleges that these representations are false, misleading or deceptive because these two ingredients do not, in fact, provide any of the represented benefits. The plaintiff alleged violations of the Illinois Consumer Fraud and Deceptive Business Practices Act.

Timmons v. Reckitt Benckiser LLC, No. 1:25-cv-12192 (N.D. Ill. Oct. 6, 2025)

A plaintiff commenced a putative class action alleging that Hi-Tech Pharmaceuticals, Inc.’s dietary supplement, Somatmax, provides “enhanced sleep” and a “feeling of well-being” among other things, but that the product actually contains Phenibut, a highly addictive sedative, which cannot be sold in the U.S. and carries the risk of serious side effects. The plaintiff alleges Hi-Tech has misled its customers by labeling Somatmax as a “dietary supplement” and omitting information about its contents and side effects. The plaintiff primarily alleges violations of California’s Consumer Legal Remedies Act, False Advertising Law, and Unfair Competition Law.

McCool v. Hi-Tech Pharmaceuticals, Inc., No. 1:25-cv-05668 (N.D. Ga. Oct. 3, 2025)

Two plaintiffs commenced a class action alleging that Trader Joe’s Company deceptively advertised its Advanced Strength Probiotic Dietary Supplement, which states that it is an “Advanced Strength” probiotic with “30 Billion CFU Per Capsule.” The plaintiffs allege that testing demonstrates that the product on average contains only 8.75 billion CFU of its promised probiotic. The plaintiffs assert violations of California’s Consumer Legal Remedies Act, False Advertising Law, and Unfair Competition Law and violations of New York’s Consumer Protection from Deceptive Acts and Practices Law.

Bibey v. Trader Joe’s Co., No. 3:25-cv-08473 (N.D. Cal. Oct. 3, 2025)

A plaintiff commenced a class action alleging that Nestle Health Science US Holdings, Inc. deceptively labeled and marketed its Carnation Breakfast Essentials Nutritional Drink Classic French Vanilla product by highlighting its 10 grams of protein per serving, but concealing that the product's primary ingredients are water and sugar, rather than protein. The plaintiff alleges that this failure to disclose the predominance of sugar, coupled with its prominent protein and "nutritional" claims, deceived and misled reasonable consumers. The plaintiff asserts violations of California's Consumer Legal Remedies Act, False Advertising Law, and Unfair Competition Law.

Testori v. Nestle Health Science US Holdings, Inc., No. 1:25-at-00905 (E.D. Cal. Oct. 2, 2025)

Medical Devices

A plaintiff commenced a class action alleging that Dexcom, Inc. markets its Dexcom G7 Continuous Glucose Monitoring System as a safe, accurate, and reliable glucose monitoring product while the device is, in fact, defective, prone to dangerous alert failures, and subject to recall by the FDA. The plaintiff alleges that defendant has violated California's Consumers Legal Remedies Act, Unfair Competition Law, and False Advertising Law, as well as express and implied warranty provisions.

Grisoli v. Dexcom, Inc., No. 8:25-cv-02333 (C.D. Cal. Oct. 15, 2025)

A plaintiff has commenced a class action against Winix America, Inc. and Winix Global LLC alleging that they made false and misleading representations by representing that 11 models of their air purifiers were equipped with "True HEPA" (High Efficiency Particulate Air) filters when in fact they were not, and that replacement filters it sells are "True HEPA" filters when they were not. Among other causes of action, the plaintiff asserts violations of the Illinois Consumer Fraud and Deceptive Business Practices Act.

Yant v. Winix America, Inc., No. 1:25-cv-12851 (N.D. Ill. Oct. 20, 2025)

Children's Products

A plaintiff brought a class action alleging that Evenflo Company, Inc. deceptively markets its Gold Revolve360 Slim and Revolve360 Slim car seats as safe while the products have easily removable headrest covers, which expose foam that presents a choking hazard to infants and young children. The plaintiff mainly asserts violations of California's Consumer Legal Remedies Act, False Advertising Law, and Unfair Competition Law.

Barraza v. Evenflo Company, Inc., No. 1:25-cv-12914 (D. Mass. Oct. 6, 2025)

Barton v. Colgate-Palmolive Co., No. 3:25-cv-02833 (S.D. Cal. Oct. 22, 2025) (Summarized above.)

Claims

“Purity” or “No Artificial”

A plaintiff commenced a class action alleging that protein powder and supplement company, Naked Whey, Inc., represents that its Naked Mass Vegan Mass Gainer protein powder products are “verified for purity” and independently tested for heavy metals when, in fact, they contain or have a material risk of containing of heavy metals, including lead. The plaintiff asserts violations of California’s Consumer Legal Remedies Act, False Advertising Law, and Unfair Competition Law.

Caballero v. Naked Whey, Inc., No. 2:25-at-01437 (E.D. Cal. Oct. 21, 2025)

A plaintiff has commenced a class action alleging Huel, Inc. misleadingly markets its protein powder products including its Huel Black Edition Powder as a “High-protein complete meal,” and touts its supposed health benefits while it, in fact, is contaminated with lead and cadmium. The plaintiff asserts violations of the Illinois Consumer Fraud and Deceptive Business Practices Act, which prohibits unfair or deceptive acts or practices in the conduct of any trade or commerce.

Albright v. Huel, Inc., No. 3:25-cv-01972 (S.D. Ill. Oct. 27, 2025)

A plaintiff commenced a class action alleging that the packaging for The Campbell’s Company’s various varieties of Cape Cod Kettle Cooked Potato Chips falsely represents that the products contain “No Artificial Colors, Flavors or Preservatives” because the products in fact contain synthetic citric acid. The complaint asserts violations of New York General Business Law Section 350, which prohibits false advertising in the conduct of any business, trade, or commerce and New York General Business Law Section 349, which prohibits unlawful deceptive acts or practices in the conduct of any business, trade, or commerce.

Ripa v. The Campbell’s Company, 1:25-cv-05921 (E.D.N.Y. Oct. 23, 2025)

Barton v. Colgate-Palmolive Co., No. 3:25-cv-02833 (S.D. Cal. Oct. 22, 2025) (Summarized above)

Recent Dismissals

On October 27, 2025, the Northern District of Illinois dismissed a class action alleging that snack company Mondelēz International, Inc. violated California’s Consumer Legal Remedies Act and California’s Unfair Competition Law because its representations concerning its Zbar snack bars, which are labeled as “climate neutral certified” are false and misleading because the product’s manufacturing produces greenhouse gases and causes pollution. As to whether the snack bars were “falsely labeled and advertised as climate neutral” the court pointed out that neither count in the complaint alleged that it was false or deceptive for the products to be labeled as “climate neutral certified.” The court noted that Mondelēz did not advertise that its product was, in fact, climate neutral, but instead that it was “*certified* as climate neutral” by Change Climate Project, stating that this was “a distinction with a difference.” The court further noted that the complaint did not allege that the Change Climate Project certification on the packaging was inaccurate.

Salguero v. Mondelēz International, Inc., No. 25 CV 2139, 2025 U.S. Dist. LEXIS 211060 (N.D. Ill. Oct. 27, 2025)

NAD Focus

Health Claims

Following a competitor challenge, NAD recommended that onset of action claims for a prescription itch-relief product be modified or discontinued. Sanofi S.A. challenged Galderma Laboratory's claims that its prescription drug Nemludio provides itch relief "as soon as 48 hours" and other implied claims regarding the drug's efficacy in treating eczema and prurigo nodularis, all based on post-hoc analyses of data from clinical trials. Galderma defended the use of these post-hoc analyses by asserting that they were conducted using the same statistical methodology applied to prespecified endpoints, did not involve data pooling or cherry-picking, and were submitted to the FDA, and submitted an in-house expert report supporting this position. NAD found the post-hoc analyses did not exhibit the flaws typically seen in other rejected cases. The consistent results across multiple studies NAD concluded provided a reasonable basis for the claims made, noting further that Galderma was not required to disclose the limitations of the post-hoc analyses in its advertising. However, NAD determined that the ads convey the message that Nemludio provides itch relief within 48 hours from treatment to *appreciable numbers* of consumers. The four phase 3 clinical trials, however, showed that 9% of eczema patients and 15% of prurigo nodularis patients experienced statistically significant relief within the 48-hour timeframe, compared to 3% in the placebo group. Galderma argued that these figures represented an "appreciable number" of patients, referencing NAD precedent finding a 10% threshold for such claims. The NAD concluded that for treatment claims, a higher proportion of patients would need to achieve the stated relief to substantiate the claim and avoid misleading consumers. NAD therefore recommended that Galderma either discontinue or modify these claims by providing more transparent and prominent disclosure of the percentages of patients achieving 48-hour relief in both the treatment and placebo groups.

Galderma Laboratories, L.P. (Nemludio), Report #7455, *NAD/CARU Case Reports* (Oct. 2025)

Following a competitor challenge, NAD recommended that certain claims for dietary supplement company Reus Research LLC's Cata-Kor NAD+ Core and Cata-Kor NAD+ Advanced products be modified or discontinued, certain influencer posts require clear and conspicuous disclosures, and product ratings and reviews for substantially different products should not be combined. As to whether the NAD+ in Cata-Kor's products increases NAD+ levels in the body, NAD recommended that Reus discontinue the various challenged health claims, such as "Combats the Effects of Aging" and "Fuels Cellular Repair" as Reus did not submit any human clinical studies on the oral ingestion of NAD+ or conduct any testing. NAD also recommended that Reus require its influencers to clearly and conspicuously display material connection disclosures in their videos, finding that including a TikTok store link does not itself disclose a material connection and that TikTok's built in disclosure tool, "Creator earns commission," is relatively small and could be easily missed.

Reus Research LLC (Cata-Kor NAD+ Core and NAD+ Advanced), Report #7472, *NAD/CARU Case Reports* (Oct. 2025)

Following a challenge from competitor GuruNanda LLC, NAD determined that The Procter & Gamble Company (P&G) provided a reasonable basis for quantified express claims that its Crest 3D Whitestrips remove years of stains. P&G's product come in multiple versions each with a different concentration of hydrogen peroxide, application duration, and number of treatments to allow consumers to choose how fast they want to whiten their teeth with the labels stating the time required to remove a specified number of years of stains, such as "Removes Over 10 Years of Stains in Just One Hour." Based on four meta-analyses and four clinical studies that P&G submitted NAD concluded that P&G's "Years of Stains" claims for Crest 3D Whitestrips were substantiated. The meta-analyses concluded that all teeth yellow at the same rate every year and the clinical studies tested the products' efficacy at removing yellow stains.

The Procter & Gamble Company (Crest 3D Whitestrips), Report #7451, *NAD/CARU Case Reports* (Oct. 2025)

NAD reviewed a challenge brought by Novo Nordisk, Inc. regarding express and implied claims made by Medicine Center Pharmacy (MCP) concerning the benefits, efficacy, and safety of its compounded sublingual semaglutide products. During the inquiry, MCP informed NAD that it had permanently discontinued the challenged claims and NAD did not review them on their merits. For example, the express claims included “Compounding pharmacies can tailor the formulation to the specific dosage and concentration prescribed by healthcare providers, ensuring optimal therapeutic outcomes while minimizing the risk of adverse effects” and “With this new tool we have at our pharmacy, we can make [semaglutide] into an oral product where you put it under your tongue or in your cheek and that will allow you to get a semaglutide therapy to help you lose weight and not have to get an injection.”

Medicine Center Pharmacy (Compounded Sublingual Semaglutide Products), Report #7517, *NAD/CARU Case Reports* (Oct. 2025)

During the pendency of an NAD inquiry that followed a challenge brought by Advantice Health regarding express claims made by XF Agencija, d/b/a Lunavia regarding the benefits and efficacy of its antifungal nail pen, Lunavia informed NAD that it had permanently discontinued the challenged claims, therefore, NAD did not review them on their merits. Examples of the claims, which appeared on Lunavia’s website, social media, and third-party retailer pages included “Clinically proven to cure and prevent fungal infections” and “The Secret to Healthier, Fungus-Free Nails.”

XF Agencija, d/b/a Lunavia (Lunavia Antifungal Pen), Report #7499, *NAD/CARU Case Reports* (Oct. 2025)

Debt Settlement Service Claims

As part of its marketplace monitoring program, NAD recommended that National Debt Relief, LLC (NDR) modify or discontinue certain claims regarding its debt settlement services to heavily indebted consumers. As to NDR’s claims, such as, “Get out of debt faster than you think – Get back to financial stability and living your life within 24-48 months” and implied messages that NDR consumers can expect to become debt-free within a reasonable period of time, NAD recommended that the express and implied claims be modified to make clear that not all debt is covered by the program, clarify that “get out of your debt faster” is compared to minimum unsecured debt payments, indicate that a majority of NDR graduates resolve their debt in 24-48 months, and clearly and conspicuously make relevant disclosures. NAD also recommended that NDR modify its claim, “How Much Will I Save? National Debt Relief programs can save you... ‘thousands upon thousands’ of dollars! ... Clients who stay with the program and get all their debt settled realize approximate savings of 50% before fees, or 30% including our fees” to better reflect clients’ typical savings, finding that the claim that clients will realize 30% savings does not represent the typical NDR customer experience. NAD also recommended that a client testimonial stating that the client was “now debt-free” be modified to remove the “debt-free” reference or to more clearly state that it was only the client’s enrolled debt that was resolved, and to clearly and conspicuously disclose the length of time it took for her to graduate from the program.

National Debt Relief, LLC (Financial Services), Report #7420, *NAD/CARU Case Reports* (Oct. 2025)

Price and Savings Claims

In a Fast-Track SWIFT case, initiated by AT&T Services, Inc., Verizon Communications, Inc. voluntarily agreed to permanently discontinue its claim that it offers a free Google Pixel 10 Pro with any Verizon plan in its Using A.I.: Google Pixel 10 Pro commercial. AT&T alleged that this commercial included the implied claim that Verizon offers a free Google Pixel 10 Pro with any Verizon plan and that the commercial’s disclosures did not inform consumers that the offer was only for Verizon’s highest tier Unlimited Ultimate customers.

Verizon Communications, Inc. (Free Phone On Any Plan), Report #7515, *NAD/CARU Case Reports* (Oct. 2025)

Comparative Claims

Following a competitor challenge, NAD found that certain claims by business formation services company, ZenBusiness Inc., were supported but recommended that ZenBusiness modify a challenged comparative claim. NAD determined that ZenBusiness substantiated its claim “ZenBusiness offers a performance guarantee of 100% accuracy in its filings” but recommended that ZenBusiness modify its advertising to avoid conveying the message that its competitor Tailor Brands Ltd. does not work to provide accuracy in its filings. As to the claim that ZenBusiness “has launched more than 800k successful businesses” ZenBusiness stated it would voluntarily modify the claim to “800k+ businesses started,” omitting the description of the businesses as “successful.” NAD determined that the modified claim regarding the number of businesses “started” or “formed” with assistance from ZenBusiness was supported.

ZenBusiness Inc. (LLC Formation Services), Report #7459, *NAD/CARU Case Reports* (Oct. 2025)

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