

MONTHLY NEWSLETTER

CONSUMER PROTECTION DIVISION

ISSUE 16 | BUSINESS NEWS & UPDATES



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Is your Business Impacted by the FTC's New Rule on Deceptive Fees?

Starting May 12, 2025, the FTC's new rule (16 C.F.R. Part 464) aims to protect consumers by cracking down on deceptive pricing in the sale of live event tickets and short term lodging.





If your business advertises or sells in these industries—whether directly or through third-party platforms—this rule affects you. As a business owner, this is your chance to lead with transparency. The rule requires you to display total prices upfront, including all mandatory fees you can calculate, like resort or cleaning fees. Optional add-ons, taxes, and shipping can be disclosed later—but only before the final payment. The total price must be the most visible figure, not buried in fine print.

This rule protects consumers from "drip pricing" — where fees are added late in the buying process — and ensures full transparency. For businesses, it's a chance to build trust, avoid penalties, and stay ahead of compliance.

Consumers, this rule ensures you won't be surprised at checkout by hidden charges—a common frustration known as "drip pricing." Businesses must also avoid vague fee labels like "service fee." Be clear and truthful. You can still itemize fees, but not in a way that distracts from the actual price.

Ultimately, this rule is about trust. By embracing honest pricing, businesses protect customers and build long-term loyalty—while supporting a fair, transparent marketplace for all.

SOURCES:

HTTPS://CONSUMER.FTC.GOV/CONSUMER-ALERTS/2025/05/WHAT-RULE-UNFAIR-OR-DECEPTIVE-FEES-MEANS-YOU

HTTPS://WWW.FEDERALREGISTER.GOV/DOCUMENTS/2025/01/10/2024-30293/TRADE-REGULATION-RULE-ON-UNFAIR-OR-DECEPTIVE-FEES

HOW BUSINESSES CAN REASSURE CONSUMERS THEY'RE THE REAL DEAL — NOT A SCAM

In today's digital world, impersonator scams are on the rise, making consumer trust more important than ever. Scammers often pretend to be wellknown businesses, sending fake emails, texts, or social media messages to trick people into giving up money or personal information.

Business owners play a vital role in protecting consumers by being transparent, consistent, and security-minded. Use verified communication channels, post clear contact information, and educate customers about common scam tactics—like urgent payment demands or suspicious links. Here are some reminder tips:

- 1. Educate Your Customers
- 2. Establish Clear, Consistent Communication Practices
- 3. Encourage Customers to Verify First, Act Later
 4. Make It Easy to Report Suspicious Activity
 Offer a dedicated email or web form where
- Offer a dedicated email or web form where customers can report suspicious messages that appear to come from your business
- 5. Use Multi-Factor Authentication and Website Security.
- 6. Be Transparent and Accessible.

Encourage customers to verify messages through official websites or phone numbers, and make it easy for them to report fraud. Consumers should know that legitimate businesses will never ask for sensitive data or payment through gift cards or crypto. Together, informed businesses and cautious consumers can stop scammers in their tracks.

SOURCES:

HTTPS://WWW.FTC.GOV/ABOUT-FTC/BUREAUS-OFFICES/BUREAU-CONSUMER-PROTECTION





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HAVE COMMITTED TO PUTTING CONSUMER'S FIRST.



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THE FULL DIRECTORY OF
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- 2. Tell us how you put consumers first
- 3. Get free digital promotions

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Consumer Protection Division

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