

## Articles

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### Senators Push FTC to Investigate Online "Lead Generators"

A group of Democratic senators is requesting that the Federal Trade Commission ("FTC") investigate third-party online marketing companies – so-called "lead generators" – used by private-sector schools.

The FTC is "well positioned to protect consumers from deceptive practices used by lead generators," Senators Richard Durbin (D-IL), Tom Harkin (D-IA), Frank Lautenberg (D-NJ), and Barbara Boxer (D-CA) wrote in a two-page letter sent Friday, September 21, 2012 to FTC Chairman Jon Leibowitz.

"The FTC can and should take several steps to better protect consumers from deceptive lead generators both by educating consumers and by investigating their practices," wrote the senators. According to the letter, an updating by the FTC of its **Guides for Private Vocational and Distance Education Schools** in a "timely manner would be an important first step to help provide consumers with accurate information." The Guides were last revised by the FTC in 1998. The senators also "encourage the FTC to create meaningful guidelines for lead generators and strengthen their oversight."

At issue is the use of third-party online marketing companies for recruitment by private sector schools. The senators' letter comes on the heels of the release of a report in late July by the staff of the Senate Health, Education, Labor and Pensions (HELP) Committee, chaired by Senator Harkin, that concluded a two-year investigation of private-sector schools. Private-sector schools are highly-regulated, including specific rules on advertising, and subject to supervision and examination by the Department of Education.

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For additional information on private sector school advertising and recruitment legal and regulatory issues, see our presentation on "**Avoiding Internet Advertising and Recruitment Pitfalls**," and compendium of articles and presentations titled, "**Evolving Legal and Regulatory Landscape for Lead Generation**." For an index of additional articles and presentations on advertising related topics, [click here](#).

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*For more information, please contact Jonathan L. Pompan at 202.344.4383 or [jjpompan@Venable.com](mailto:jjpompan@Venable.com); or Alexandra Megaris at 212.370.6210 or [amegaris@Venable.com](mailto:amegaris@Venable.com).*

*Jonathan L. Pompan is Of Counsel at Venable LLP in the Washington, DC office. He represents nonprofit and for-profit companies in regulated industries, in a wide variety of areas such as before the Consumer Financial Protection Bureau, compliance with applicable federal and state regulations, and in connection with Federal Trade Commission and state investigations and law enforcement actions.*

*Alexandra Megaris is an associate in Venable's regulatory practice group, where she advises clients on advertising and marketing, communications, and general business matters, including compliance with the Consumer Financial Protection Act, and the Federal Trade Commission Act. She also assists clients with civil and criminal investigations before the U.S. Congress, the CFPB, the FTC, DOJ, and various other federal and state agencies.*

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#### AUTHORS

Jonathan L. Pompan  
Alexandra Megaris

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