



**Asia-Pacific  
Economic Cooperation**

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## **Consumer Protection Through Enforceable Codes of Conduct**

Submitted by: United States



**APEC Advertising Standards Forum and  
Mentoring Workshop  
Beijing, China  
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## Consumer Protection through Enforceable Codes of Conduct



**APEC Advertising Standards Forum and Mentoring Workshop**  
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### Disclaimer

My comments reflect my own views and do not necessarily reflect the views of the Commission or any individual Commissioner.

**Encouraging Industry to Regulate Itself**



- Potential benefits of industry self-regulation
  - consumers are better protected when businesses believe that they must regulate their own conduct
  - often works faster and is more flexible than government regulation
  - reduces the need for government action
  - may be no legal basis for gov't action
  
- FTC promotes self-regulation
  - give feedback on proposed self-regulatory standards, when requested
  - give public credit to appropriate self-regulation
  - act on industry referrals of the non-compliant

**U.S. Self-Regulatory Schemes for Advertising & Marketing Practices**

Indicia of Credibility & Efficacy		BEB	NAD	CAI	CFBAI	ERSP	DMA	ASA	ESRB	BBB	BBP	BBK
Code or Standards Development Process	Multi-Stakeholder Participation			👉								
	Balance of Interests											
	Due Process/Appeals											
	Consensus											
Seal or Certification Program		👉						👉	👉			
Mandatory Compliance upon Company's Adoption		👉			👉		👉	👉	👉			
Rigorous Standards		👉	👉	👉	👉	👉	👉	👉	👉	👉	👉	👉
Extra-Legal Standards (e.g., ethical or best practices)		👉		👉	👉		👉	👉	👉	👉	👉	👉
Compliance Monitoring		👉	👉	👉		👉		👉	👉	👉	👉	👉
Complaint Mechanism	Accepts Complaints from Consumers	👉	👉	👉		👉	👉	👉	👉	👉	👉	👉
	Accepts Complaints from Competitors		👉	👉		👉	👉		👉	👉	👉	👉
	Low or No Cost for Consumers	👉	👉	👉		👉	👉	👉	👉	👉	👉	👉
	Non-Industry Decisionmakers at Initial Stage	👉						👉				
	Non-Industry Decisionmakers on Appeal		👉	👉						👉	👉	👉
Public Access	Published Code or Standards	👉	👉	👉	👉	👉	👉		👉	👉	👉	👉
	Public Adjudications		👉	👉	👉	👉	👉			👉	👉	👉
Self-Regulatory Enforcement	Published Decisions or Reports	👉	👉	👉	👉	👉	👉			👉	👉	👉
	Suspension/Termination of Membership or Accreditation	👉			👉		👉	👉	👉			
	Mandatory Corrective Actions	👉						👉	👉			
Government Enforcement	Fines and/or Consumer Redress	👉						👉	👉			
	Referrals to Gov't Agency		👉	👉	👉	👉	👉	👉				
Co-Regulatory Scheme												
Regularly Scheduled Reevaluation of the Code or Standards		👉	👉	👉	👉	👉	👉	👉	👉	👉	👉	👉



