

# Lord & Taylor settles charges of deceptive Instagram posts

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Lord & Taylor will settle U.S. charges that it deceived customers when it paid for Instagram posts and also a website article to promote a new clothing line without disclosing that they were advertisements.

The department store chain gave 50 popular trendsetters on Instagram a free dress and paid them as much as \$4,000 to post a picture of them wearing it, the Federal Trade Commission said Tuesday. The posts reached more than 11 million Instagram users and the dress sold out, according to the FTC.

Lord & Taylor also paid the pop-culture magazine Nylon to post an article online about the new line.

"Consumers have the right to know when they're looking at paid advertising," said FTC's director of consumer protection bureau, Jessica Rich.

Lord & Taylor said it never tried to deceive customers and that it corrected the posts and article when the FTC raised the issue a year ago.

Nylon declined to comment.

In settling the charges, Lord & Taylor is prohibited from "misrepresenting" paid ads in the future. If it does, the department store chain could pay civil penalties, the FTC said.

Lord & Taylor has 50 stores around the country. It is owned by Hudson's Bay Co. of Toronto, which also owns Saks Fifth Avenue.

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