

Australia sues Facebook owner Meta over scam ads

March 18 2022



Australia's consumer protection commission is taking Meta to court over scam Facebook adverts for cryptocurrency schemes.

Australia announced Friday it is suing Facebook owner Meta over scam adverts for cryptocurrency schemes that falsely claimed to be endorsed

by prominent figures.

Australia's consumer protection commission said it had started Federal Court proceedings against Meta Platforms for "false, misleading or deceptive conduct" in breach of consumer or securities laws.

It accused Meta of failing to do enough to stop [scam](#) ads for cryptocurrency or money-making schemes, even after being alerted by celebrities who had been misrepresented by similar ads published on Facebook.

Meta vowed to defend itself, saying in a statement that it sought to stop scam ads by using technology to detect and block them.

"We don't want ads seeking to scam people out of money or mislead people on Facebook—they violate our policies and are not good for our community," a Meta spokesperson said.

The social media titan said it had cooperated with the Australian Competition and Consumer Commission's investigation.

According to the commission, the ads featured well-known Australians, including former New South Wales premier Mike Baird and businessman Dick Smith.

But the high-profile personalities featured in the ads had never approved or endorsed them, it said.

"Apart from resulting in untold losses to consumers, these ads also damage the reputation of the public figures falsely associated with the ads," said the commission's chair, Rod Sims.

"Meta failed to take sufficient steps to stop fake ads featuring public

figures, even after those public figures reported to Meta that their name and image were being featured in celebrity endorsement cryptocurrency scam ads," he said.

The commission said it was aware of one consumer who had lost more than Aus\$650,000 (US\$480,000) in one of the scams being falsely advertised as an investment opportunity on Facebook.

"This is disgraceful," Sims said.

The consumer protection authority said it was seeking orders from the court including injunctions, penalties and the payment of legal costs.

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Citation: Australia sues Facebook owner Meta over scam ads (2022, March 18) retrieved 18 April 2024 from <https://techxplore.com/news/2022-03-australia-sues-facebook-owner-meta.html>

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