

June 27, 2022

VIA EMAIL

Michael J. Schwab Moritt Hock & Hamroff LLP 1407 Broadway New York, NY 10018 mschwab@moritthock.com Alan Soven Alan R. Soven, PA 1571 NW 13th Court Miami, FL 33125 alan@alansoven.com Lisa Hageman Diageo North America, Inc. 3 World Trade Center New York, NY 10007-0042 lisa.hageman@diageo.com

Re: DJ Khaled's Continuing Deceptive Marketing for Diageo's Ciroc brand

Dear Mr. Schwab, Mr. Soven, and Ms. Hageman:

More than four years ago, Truth in Advertising, Inc. (TINA.org) notified Khaled M. Khaled (aka DJ Khaled) and Diageo North America Inc. of numerous deceptive social media ads for Diageo's Ciroc brand by Mr. Khaled that, among other things, failed to clearly and conspicuously disclose his material connection to the company in violation of federal law. Despite the Federal Trade Commission later echoing TINA.org's findings and concerns to Mr. Khaled, as well as Mr. Khaled's and Diageo's assurances that the deceptive marketing at issue would immediately cease, this has proven not to be the case.

Not only did TINA.org subsequently find that Diageo had enlisted an army of social media influencers that were deceptively marketing the Ciroc brand,⁴ but TINA.org has now identified several Instagram posts by Mr. Khaled from June 2022 that repeat the same problematic issues flagged by the FTC and TINA.org years ago.⁵

Below are some examples.



Additional examples from June 2022 of deceptive Instagram ads for Ciroc by Mr. Khaled are available at www.truthinadvertising.org/evidence/dj-khaled-2022-ciroc-ads/.

Of note, Mr. Khaled intersperses these deceptive alcohol ads, which include videos of him smoking cigars while drinking Ciroc and one of him pouring most of the contents of a bottle of Ciroc into his glass, within and among photos of his young children on his Instagram account, which has more than 29 million followers, many of whom are likely to be minors.⁹

I trust that you will take immediate action to address these problematic marketing materials, as well as any others that may exist.¹⁰

If you have any questions, please do not hesitate to contact us.

Sincerely,

Laura Smith, Esq. Legal Director

Truth in Advertising, Inc.

Cc: Serena Viswanathan, Federal Trade Commission

Tarik Brooks, Combs Enterprises

¹ March 29, 2018 letter from TINA.org and other consumer groups regarding deceptive advertising by DJ Khaled, Diageo, Bacardi, and Sovereign Brands, https://truthinadvertising.org/wp-content/uploads/2018/03/3 29 18-Ltr-re-Khaled-Deceptive-Advertising Redacted.pdf. TINA.org also found that Mr. Khaled advertised alcohol directly to millions of minors in violation of the social media platforms' policies and procedures and self-regulatory codes.

² June 14, 2018 letter from FTC to Mr. Khaled, https://truthinadvertising.org/wp-content/uploads/2019/01/DJ-Khaled-FTC-letter-mc.pdf.

³ April 6, 2018 email from M. Schwab to L. Smith, https://truthinadvertising.org/wp-content/uploads/2018/04/4 6 18-email-from-Khaleds-lawyer Redacted.pdf; April 9, 2018 letter from T. Hunt de Vries to L. Smith, https://truthinadvertising.org/wp-content/uploads/2018/04/Diageo-Response-4-9-18 Redacted.pdf.

⁴ December 10, 2018 letter from TINA.org to FTC regarding deceptive advertising by Diageo, https://truthinadvertising.org/wp-content/uploads/2018/12/12_10_18-letter-from-TINA-to-FTC-re-Diageo-Ciroc_Redacted.pdf. TINA.org also notified the Advertising Standards Authority in the United Kingdom. See December 11, 2018 email from TINA.org to ASA, https://truthinadvertising.org/wp-content/uploads/2018/12/12_11_18-Complaint-to-ASA-re-Ciroc_Redacted.pdf.

⁵ A national television commercial for Ciroc published in May 2022 shows the continuing material relationship between Mr. Khaled and Diageo. *See* CIROC TV Spot, 'Summer You Can Taste' Featuring Diddy, DJ Khaled.

 $[\]underline{https://www.ispot.tv/ad/bl6W/croc-summer-you-can-taste-featuring-diddy-dj-khaled}.$

⁶ June 16, 2022 Khaled Instagram post, https://www.instagram.com/p/Ce1MwsDvB6o/.

⁷ June 13, 2022 Khaled Instagram post, https://www.instagram.com/p/CewZ8zCpytN/.

⁸ June 10, 2022 Khaled Instagram post, https://www.instagram.com/p/CepeBWppmlV/.

⁹ Distribution of Instagram users worldwide as of April 2022, by age group,

https://www.statista.com/statistics/325587/instagram-global-age-group/.

10 Mr. Khaled has also promoted Hennessy cognac on his Instagram account this month. See e.g., June 3, 2022 Khaled Instagram post, https://www.instagram.com/p/CeWXjEFLFtR/ (this post does not contain any disclosure of Mr. Khaled's material connection to Hennessy); June 2, 2022 Khaled Instagram post, https://www.instagram.com/p/CeUCkIVAp8j/.