

Case #7410 (04/10/2025)
Apple Inc.
Apple Intelligence
Challenger: *National Advertising Division*
Product Type: *Consumer Electronics*
Issues: *Express Claims; Demonstrations; Disclosure; Implied Claims / Consumer Perception; Performance Claims*
Disposition: *Substantiated in Part / Modified-Discontinued in Part*

BBB NATIONAL PROGRAMS

NATIONAL ADVERTISING DIVISION

NATIONAL ADVERTISING DIVISION,
Challenger,

APPLE INC.,
Advertiser.

Case No. 7410
Closed 4/10/2025

FINAL DECISION

- **As artificial intelligence (“AI”) tools are quickly being announced and released into the market, it is important to ensure that claims about the capabilities of the AI tools meet the same truth in advertising and consumer protection standards as all other product claims.**

I. Basis of Inquiry

The advertising industry established the National Advertising Division (“NAD”) and the National Advertising Review Board (“NARB”) in 1971 as an independent system of self-regulation designed to build consumer trust in advertising. NAD reviews national advertising in all media in response to third-party challenges or through inquiries opened on its own initiative. Its decisions set consistent standards for advertising truth and accuracy, delivering meaningful protection to consumers and leveling the playing field for business. As part of its routine, ongoing monitoring program, National Advertising Division (“NAD” or “Challenger”) challenged express and implied claims made by Advertiser Apple Inc. (“Apple” or “Advertiser”) related to its Apple Intelligence launch.

The following are representative of the claims that served as the basis for this inquiry:

A. *Express Claims*

- Apple Intelligence. Available Now.
- *Priority Notifications:*
 - Priority notifications appear at the top of the stack, letting you know what to pay attention to at a glance.
- *Image Generation:*
 - Produce fun, original images in seconds with the Image Playground experience right in your apps.

- Make a brand-new Genmoji right in the keyboard to match any conversation.
- Image Wand can transform your rough sketch into a related image in the Notes app.
- *ChatGPT Integration:*
 - With ChatGPT from OpenAI integrated into Siri and Writing Tools, you get even more expertise when it might be helpful for you — no need to jump between tools.
- *Siri Functionality:*
 - Apple Intelligence empowers Siri with onscreen awareness, so it can understand and take action with things on your screen.
 - Awareness of your personal context enables Siri to help you in ways that are unique to you.
 - Siri can use its knowledge of the information on your device to help find what you’re looking for, without compromising your privacy.
 - Seamlessly take action in and across apps with Siri. You can make a request like “Send the email I drafted to April and Lilly” and Siri knows which email you’re referencing and which app it’s in. And Siri can take actions across apps, so after you ask Siri to enhance a photo for you by saying “Make this photo pop,” you can ask Siri to drop it in a specific note in the Notes app — without lifting a finger.

B. Implied Claims

- Priority Notifications are available now on iPhone 16 and iPhone 16 Pro.
- Image Playground, Genmoji, and Image Wand are available now on iPhone 16 and iPhone 16 Pro.
- ChatGPT from OpenAI integration into Siri and Writing Tools is available now on iPhone 16 and iPhone 16 Pro.
- Siri onscreen awareness, personal context, and search across apps are available now on iPhone 16 and iPhone 16 Pro.
- The video demonstration found in the “More Personal Siri” commercial¹ accurately depicts the performance of Siri features as currently available.

Discontinued Claims:

- The video demonstration found in the “More Personal Siri” commercial.

During the pendency of the inquiry, Apple represented to NAD that it will permanently discontinue the challenged claims in the “More Personal Siri” commercial. In reliance on the Advertiser’s representation that these claims have been permanently discontinued, NAD did not review the product demonstrations or claims in the commercial on their merits. The voluntarily discontinued claims will be treated, for compliance purposes, as though NAD recommended their discontinuance and the Advertiser agreed to comply.

¹ Originally available at <https://www.youtube.com/watch?v=TPe8revsg3k>. As of March 2025, this video is no longer available at this link.

II. Evidence Presented

In response to NAD's inquiry, as support for the challenged claims, Apple submitted (i) demonstrations of product capabilities and (ii) references to technical support pages and press releases.

III. Decision

A. Standard of Review

As artificial intelligence ("AI") tools are quickly being announced and released into the market, it is important to ensure that claims about the capabilities of the AI tools meet the same truth in advertising and consumer protection standards as all other product claims.² Companies are eager to tout their newest AI technology, but must also ensure that such claims are truthful and non-misleading, especially when consumers cannot fully evaluate AI claims for themselves.³

Advertisers must possess a "reasonable basis" for claims disseminated in advertising.⁴ What constitutes a "reasonable basis" depends on several factors, including the type of product, the type of claim, the consumer benefit from a truthful claim, the ease of developing substantiation for the claim, the consequences of a false claim, and the amount of substantiation experts in the field believe is reasonable.⁵ As the Federal Trade Commission ("FTC") has long established, the reasonable basis doctrine requires that firms have substantiation before disseminating a claim.⁶

While disclosures can be used to add qualifying information to a claim, it is well settled that disclosures must be clear and conspicuous and cannot contradict the main message of the claim.⁷ In addition, NAD has stated: "[t]o be clear and conspicuous a disclosure must be close to the triggering claim, prominent and in a font size and color that is easy to read and understand."⁸ Further, the disclosure

² See *Google, LLC (Google Gemini)*, Report #7295, NAD/CARU Case Reports (September 2024); *In re DoNotPay, Inc.*, Decision and Order, Docket No. C-4812 (January 14, 2025).

³ See *Google, LLC (Google Gemini)* ("In the emerging 'AI era' technology is improving rapidly and the promotion of the technology changes just as quickly. It is crucial that consumers—including both end-users and sophisticated developers—receive truthful and accurate information concerning this technology."); *ecobee Inc. (Smart Thermostats)*, Report #6126, NAD/CARU Case Reports (October 2017) (NAD has long held that while a company can tout its technological advances and innovation, those claims must still be truthful, accurate, and not misleading).

⁴ *Guardian Technologies, LLC (GermGuardian and PureGuardian Air Purifiers and Replacement Filters)*, Report #6319, NAD/CARU Case Reports (November 2019).

⁵ *Pfizer Inc.*, 81 F.T.C. 23 (1972). See also FTC, *Policy Statement Regarding Advertising Substantiation* (Nov. 23, 1984), <https://www.ftc.gov/public-statements/1984/11/ftc-policy-statement-regarding-advertising-substantiation>.

⁶ <https://www.ftc.gov/legal-library/browse/ftc-policy-statement-regarding-advertising-substantiation>; see also *Ontel Products Corporation (Pink Armor Nail Gel)*, Report #5701, NAD/CARU Case Reports (March 2014).

⁷ *4Patriots LLC (Long-Term Survival Food Kits)*, Report #7033, NAD/CARU Case Reports (January 2022).

⁸ *Telecom Business Solutions, Inc. d/b/a AI-Pro.org (AI-Pro.org)*, Report #7314, NAD/CARU Case Reports (June 2024) (citing .Com Disclosures -- How to Make Effective Disclosures in Digital Advertising, Federal Trade Commission (March 2013), at i.).

must be noticeable and unavoidable to consumers.⁹ When necessary, disclosures must be repeated throughout an advertisement to prevent consumers from being misled by multiple iterations of the claim.¹⁰

In analyzing the messages conveyed by a particular advertisement, NAD typically reviews the net impression created by an advertisement as a whole, not merely words or phrases standing alone, taking into consideration both the words and the visual images.¹¹ While product demonstrations can be an acceptable method of conveying a performance message, they still must be truthful and accurate and supported by reliable testing.¹² An advertiser is responsible for substantiating all messages reasonably conveyed by their advertising, not just those they intended to convey.¹³ In the absence of reliable consumer perception evidence, NAD uses its own expertise to step into the shoes of the consumer to determine the messages reasonably conveyed by the challenged advertising.¹⁴

B. Messages Conveyed and Analysis

1. Factual Background

NAD's inquiry focused on advertising around the launch of Apple Intelligence, a combination of hardware and software features that incorporate AI and have been integrated into Apple's latest devices, including the iPhone 16 and iPhone 16 Pro.

Apple typically announces new features over the Summer and rolls out those features in the Fall. Here, Apple announced in June 2024 that Apple Intelligence would be coming with the launch of iPhone 16 and iPhone 16 Pro in September 2024. However, the Apple Intelligence software features were not available at the time of launch and only began to be available starting in late October 2024 through December 2024. Some of the advertised features, such as Siri's updated functionality, are still not available. Nonetheless, much of Apple's advertising focused on these new features, highlighting, in particular, the anticipated updates to Siri's functionality.

2. Priority Notifications, Image generation, and Chat GPT integration

Apple made several express and implied claims about three sets of Apple Intelligence features (Priority Notifications, Image generation, and the ChatGPT integration into Siri and Writing Tools). At the top of the Apple Intelligence website, Apple touts that Apple Intelligence is "Available Now."

Apple's claims appear below the "Available Now" claim and provide that "Priority notifications appear at the top of the stack, letting you know what to pay attention to at a glance," and that "With ChatGPT

⁹ *Id.*

¹⁰ See *4Patriots LLC (Long-Term Survival Food Kits)*, *supra* note 7.

¹¹ *The Procter and Gamble Company (Dawn® Platinum Dishwashing Liquid)*, Report #7294, NAD/CARU Reports (June 2024).

¹² *Id.*

¹³ *Georgia-Pacific Consumer Products LP (Quilted Northern Ultra Soft & Strong Bathroom Tissue)*, Report #7018, NAD/CARU Case Reports (September 2021); see also *The Procter & Gamble Company (Tide Pods)*, Report #6270, NAD/CARU Case Reports (April 2019).

¹⁴ See *Georgia-Pacific Consumer Products LP (Quilted Northern Ultra Soft & Strong Bathroom Tissue)*, *id.*

from OpenAI integrated into Siri and Writing Tools, you get even more expertise when it might be helpful for you” without having to “jump between tools.” Apple also made claims about three of its new image generation tools following the “Available Now” claim: Image Playground (“[p]roduce fun, original images in seconds”); Genmoji (“[m]ake a brand-new Genmoji right in the keyboard to match any conversation”); and Image Wand (“transform your rough sketch into a related image”). NAD found that in the context in which these listed features appear, Apple’s unqualified claim that Apple Intelligence is “available now” conveys the message that all these features were available as part of the iPhone 16 launch.

In support of its claims, Apple provided product demonstrations, technical support pages, and press releases to demonstrate the basic functionality of these features. Apple acknowledged that these Apple Intelligence features were rolled out in waves. Specifically, Apple noted that on October 28, 2024, the initial Apple Intelligence software launch (iOS 18.1 software update) was rolled out for iPhone 16 models and iPhone 15 Pro, iPhone 15 Pro Max.¹⁵ Additional features – such as Image Playground, Genmoji, Image Wand, and the ChatGPT integration, which are the subject of this inquiry – were released as part of iOS 18.2 on December 11, 2024. Priority Notifications was released as part of iOS 18.4 on March 31, 2025.

An “available now” claim, just like any other claim, must be properly supported at the time it is made, and any limited availability must be part of the main claim itself. In *AT&T Services Inc. (AT&T Fiber)*, NAD stated that “[c]onsumers generally take away a message about the availability of an advertised service and, as a result, when an advertised service is ‘less available than available,’ this limited availability must be part of the main claim itself.”¹⁶ While a company can make claims about a forthcoming launch of a product or service, claims must be properly supported at the time they are made.¹⁷

Here, Apple touted its Priority Notifications, Image Playground, Genmoji, Image Wand, and ChatGPT integration features even though they were not available on the iPhone 16 models at launch. Apple did not adequately disclose that the features were not available and reasonable consumers could take away the message that these features were available at the time these claims were first made, which they were not.

Apple argued that it provided notice to consumers about the availability of the features before each of these features were launched. Specifically, Apple included a footnote near the claims directing consumers to a small disclosure at the bottom of Apple Intelligence page which stated: “Some features will become available in software updates in the coming months.”¹⁸ Apple also argued that its several

¹⁵ Apple Intelligence is also available on iPads and Macs, but NAD’s inquiry focused on claims related to the launch of the iPhone 16.

¹⁶ *AT&T Services Inc. (AT&T Fiber)*, Report #6122, NAD/CARU Case Reports (October 2017).

¹⁷ In *Ford Motor Company (2021 Ford Bronco)*, Report #6881, NAD/CARU Case Reports (March 2021).

¹⁸ A longer disclosure from the “available now” claim states: “Apple Intelligence is available in beta on all iPhone 16 models, iPhone 15 Pro, iPhone 15 Pro Max, iPad mini (A17 Pro), and iPad and Mac models with M1 and later, with Siri and device language set to English (Australia, Canada, Ireland, New Zealand, South Africa, UK, or U.S.), as part of an iOS 18, iPadOS 18, and macOS Sequoia software update. Additional features and languages will be available in April, with more languages and platforms coming over the course of the year. Languages

press releases announcing newly launched features and features coming soon, in addition to its technical support page listing current Apple Intelligence features, made clear to consumers what features were currently available. However, none of these disclosures was clear and conspicuous or in close proximity to the claims. Indeed, the press releases and technical support were on completely separate web pages with no link to where the claims were made. Further, these disclosures contradict the broad “available now” claim positioned prominently at the top of the page.

NAD determined that Apple’s claims about the availability of three sets of Apple Intelligence features (Priority Notifications, Image generation, and the ChatGPT integration into Siri and Writing Tools) were not supported at the time they were first made. Although Priority Notifications, Image Playground, Genmoji, Image Wand, and the ChatGPT integration into Siri and Writing Tools are now available, NAD recommended that Apple avoid conveying the message that features are available when they are not.

3. *Siri Functionality*

NAD also inquired about the availability of certain Siri functions. Under the “Available Now” claim on its Apple Intelligence web page, Apple touted new Siri functions, including: onscreen awareness (“it can understand and take action with things on your screen”); personal context (“enables Siri to help you in ways that are unique to you” and “use its knowledge of the information on your device to help find what you’re looking for”); and actions across apps (“[s]eamlessly take action in and across apps with Siri”). Each claim about onscreen awareness, personal context, and actions across apps had a footnote directing consumers to the same disclosure on timing as noted above.

The description of Siri’s updated functionality below Apple’s unqualified claim that Apple Intelligence is “available now” also reasonably conveys the message that the updated Siri functionality was available as part of the iPhone 16 launch, which it was not.

During the pendency of this inquiry, Apple advised NAD that the updated Siri functionality was not going to be available on its originally planned timing and that Apple was taking steps to update its promotional materials to reflect this change. NAD reviewed the claims as modified.

Apple updated its website to include a more prominent disclosure underneath each claim about Siri’s upcoming functionality: “This feature is in development and will be available with a future software update.” NAD determined that the bolded font and close proximity to the claims about these features made the disclosure clearer and more conspicuous. Apple also repeated this disclosure under each claim about onscreen awareness, personal context, and actions across apps. Consequently, NAD concluded that the modified claims and disclosures adequately communicate the status of the updated Siri functionality.

IV. **Conclusion**

NAD determined that Apple’s claims about the availability of three sets of Apple Intelligence features (Priority Notifications, Image generation, and the ChatGPT integration into Siri and Writing Tools) were not supported at the time they were first made. Although Priority Notifications, Image

supported in 2025 include Chinese, English (India, Singapore), French, German, Italian, Japanese, Korean, Portuguese, Spanish, and Vietnamese.”

Playground, Genmoji, Image Wand, and the ChatGPT integration into Siri and Writing Tools are now available, NAD recommended that Apple avoid conveying the message that features are available when they are not.

NAD concluded that the modified claims and disclosures as to Siri's functionality adequately communicate the status of the updated functionality.

V. Advertiser's Statement

While we disagree with the NAD's findings related to features that are available to users now, we appreciate the opportunity to work with them and will follow their recommendations. (**#7410 LP, closed 04/10/2025**)