

The Signal

Monthly intelligence on Creator Risk, regulatory change, and brand safety incidents.
Issue 32 · July 2026



July closed with a settlement that raises a question for brand-side creator teams. X and the World Federation of Advertisers settled their GARM litigation, confirming that the discontinued initiative would not return. The dispute concerned traditional digital advertising, but its relevance to creator marketing is practical: shared standards can support decisions, while each organisation still needs to explain its own approvals, restrictions and exceptions.

EDITOR'S NOTE

Three stories. One governance trend.

July's developments connect through the evidence behind an approval.

The GARM settlement raises questions about reliance on shared brand-safety frameworks. Reporting on AI-generated wellness personalities challenges assumptions about identity and expertise. Australian enforcement and investigative reporting illustrate why lawful promotion, credible claims and effective incident response require different checks.

For brands, our reading is that creator governance needs to extend beyond the suitability assessment. Teams should be able to identify the accountable party, substantiate significant claims and reconstruct why an engagement was approved.

What evidence would your organisation rely on if challenged tomorrow?

The burden of proof is moving upstream.

THE NUMBER

BILLIONS

Advertising dollars that X alleged advertisers collectively withheld through GARM-related coordination.

This was an allegation, not an established loss. Reuters reported that the July settlement followed a March dismissal of X's antitrust lawsuit. The figure illustrates the scale of the dispute, rather than a proven financial consequence of brand-safety decisions.

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01 — SHARED STANDARDS CANNOT REPLACE A BRAND'S OWN DECISIONS

X · WFA · GARM · Brand-safety governance

On 29 July, WFA and X announced that they were putting the GARM litigation behind them. WFA confirmed that the initiative, discontinued in August 2024, would not be restarted and that it would not form a similar programme. Both organisations also expressed support for brand-safety innovation.

The settlement does not create new creator-governance obligations. Its relevance is the distinction between a shared framework and an organisation's own accountable decisions.

A common taxonomy can help teams describe concerns consistently, and external assessments can inform selection. Neither explains, on its own, why a particular creator was approved for a particular engagement.

That decision depends on context. The same creator may be suitable for one campaign and unsuitable for another because the product, audience, market, claims or distribution plan differs. A concern may also be accepted with restrictions, additional monitoring or an authorised exception.

The record therefore needs to preserve more than a score or a completed check. It should connect the evidence to the proposed engagement and show who accepted any remaining uncertainty.

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Shared standards and vendor assessments are inputs to governance. Their practical value increases when the brand can explain how it used them.

The gap worth examining is between having information about a creator and retaining the reasoning behind an engagement decision.

RECOMMENDED ACTION

Select one recently approved partnership and ask whether someone outside the campaign team could reconstruct its approval.

Can they find the assessment, relevant concerns, restrictions, exceptions and approver? Where the explanation depends on someone's memory, strengthen the record before repeating the process across the portfolio.

02 — THE FAKE CREATOR IS NOW A REAL GOVERNANCE PROBLEM

AI-generated personalities · Wellness advertising · Identity and claims

A New York Times investigation published on 21 July examined synthetic personalities used in supplement advertising. Subsequent coverage described fabricated credentials and medical settings designed to make generated speakers appear authoritative. The Council for Responsible Nutrition responded by condemning fake experts and unlawful disease claims, arguing that AI makes established deceptive practices easier to execute.

The approval question changes when a campaign includes a synthetic personality. Teams need to understand what the audience is being led to believe and which parts of that representation can be substantiated.

A clearly fictional character requires different scrutiny from a generated doctor recommending a supplement or an avatar describing a customer experience as though it happened to a real person.

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Our assessment is that creator due diligence needs to accommodate both people and synthetic representations. Approval should identify the accountable entity and distinguish presentation from verifiable qualifications, experiences and claims.

RECOMMENDED ACTION

Before approving a synthetic spokesperson, establish who supplies and controls the asset, what representations it makes and what evidence supports them. Assign responsibility for checking the final published version, including applicable disclosure requirements.

03 — AUSTRALIA TESTS PROMOTION, EVIDENCE AND RESPONSE

ACMA · Lily Jay Foundation · Youth protection

Australia offered three distinct lessons: check whether promotion is lawful, verify what content purports to prove, and distinguish platform responsibilities from brand controls.

Lawful promotion and remedial action

On 7 July, ACMA announced a formal warning to MMA fighter Jamie Mullarkey over sponsored Instagram promotion of an illegal offshore gambling service. It described this as its first enforcement action against an influencer for breaching online gambling rules.

ACMA explained that the warning reflected the circumstances, including his prompt termination of the sponsorship, removal of material, cooperation and acceptance of responsibility.

For brands and agencies, the operational lesson concerns both approval and response. Teams need to establish whether the proposed product or service can lawfully be promoted, while incident procedures should identify who can stop activity and document what happens next.

Visual evidence needs independent corroboration

ABC NEWS Verify's July investigation reported AI-generated and manipulated material associated with the Lily Jay Foundation's humanitarian claims. Its reporting questioned an orphanage announcement, award imagery and other representations, and described difficulties independently corroborating some claimed activities.

ABC reported that detailed questions went unanswered, while also recording a website statement maintaining that aid remained active. These are journalistic findings and should remain attributed to the investigation.

For a creator-led charitable partnership, detecting synthetic imagery is only one check. Genuine footage also requires context: where it was recorded, what activity it documents and whether it supports the proposed claim.

A polished video demonstrates content production. Establishing the project, beneficiary or outcome may require separate evidence.

Platform restrictions affect campaign assumptions

Australia's social-media age restrictions took effect on 10 December 2025. Covered platforms must take reasonable steps to prevent Australians under 16 from creating or keeping accounts. The framework does not impose penalties on children or parents for access.

Brands should understand the implications for creator participation and audience planning without presenting platform duties as identical obligations on advertisers.

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Product legality, claim verification and youth-related distribution each require different checks. A useful governance process gives each an identifiable owner and a route to specialist review.

RECOMMENDED ACTION

Test one Australian partnership from approval through incident response.

Can the team establish applicable restrictions, substantiate significant claims and act quickly if promotion must stop? Record who can pause paid distribution, request removal, contact the creator or agency, and preserve the content and response history.

04 — REGULATORY SNAPSHOT

Seven markets · July 2026

MARKET	DEVELOPMENT	IMPACT
GLOBAL BRAND SAFETY	WFA and X settled their GARM litigation on 29 July. WFA confirmed it would not restart GARM or form a similar initiative.	HIGH
USA	Reporting examined synthetic wellness personalities presented with apparent professional authority. Review credentials, testimonials and claims in supplied assets.	HIGH
AUSTRALIA	ACMA warned Mullarkey over illegal gambling promotion. Existing under-16 account restrictions remain relevant to creator participation and audience planning.	HIGH
UK	Lucy Beck pleaded not guilty to alleged unauthorised financial promotions. Trial was listed for 12 June 2028.	HIGH
EU-WIDE	The Commission issued preliminary findings concerning TikTok minors' account safety. Article 50 AI transparency obligations were scheduled to apply from 2 August.	HIGH
FRANCE	Parliament approved an under-15 social-media ban in July.	HIGH
NETHERLANDS	The advertising code places responsibilities on advertisers and distributors, including advertiser oversight and duty-of-care provisions. Check the current Dutch text when applying it.	MEDIUM

Impact ratings are Signal Intelligence's editorial assessment of potential relevance to creator programmes, rather than legal severity ratings.

The FCA records Beck's not-guilty plea and trial date; the allegations remain contested.

The TikTok findings are preliminary, rather than a final infringement determination. AI transparency requirements also distinguish provider marking duties from deployer disclosure responsibilities in specified circumstances.

The Dutch code supports advertiser and distributor responsibilities, while directing readers to the Dutch version for the most current provisions.

05 — CASES TO WATCH

Litigation, enforcement and governance developments

CASES TO WATCH	
CASE	STATUS / WHAT TO WATCH
X / WFA / GARM	July settlement confirmed GARM would not return. Review how internal decisions use external frameworks.
AI wellness advertising	Investigative reporting and industry response. Watch for action involving fabricated expertise and unsupported claims.
Jamie Mullarkey / ACMA	Formal warning issued in July. Monitor further influencer enforcement and the role of remedial action.
Lily Jay Foundation / ABC NEWS Verify	Investigation into manipulated content and humanitarian claims. Monitor subsequent responses and independent corroboration.
EC / TikTok minors' accounts	Preliminary findings issued in July. Follow the response and decision process.
EU AI Act Article 50	Applicable from 2 August 2026. Review responsibilities across asset creation, editing and distribution.
FCA / Lucy Beck	Allegations contested; trial listed for June 2028. Preserve relevant promotional and approval records.

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04 — REGULATORY SNAPSHOT

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Creator governance depends on retaining the connection between evidence, decisions and action. An organisation should be able to explain why an engagement was approved, what supported its significant claims and how it responded when circumstances changed.

That record becomes more valuable after the campaign has ended, when the people involved may have moved on but the questions remain.

ABOUT SIGNAL INTELLIGENCE

Signal Intelligence is an independent creator risk intelligence company. We provide monthly briefings tracking creator risk, regulatory change, and brand safety incidents. Our TRACE methodology and portfolio audit services are designed for brand-side marketing, legal, and compliance teams.

Request a creator portfolio audit at signalintelligence.consulting

