



July 10, 2017

**VIA EMAIL**

Eric Haynes  
Chief Legal Officer  
Nerium International  
[REDACTED]

Re: Deceptive Marketing for Nerium International Opportunity and Products

Dear Mr. Haynes:

Thank you for your July 6, 2017 letter in which you request that we advise you of inaccuracies contained in your writing. While I have no intention of addressing the letter's irrelevant content or hyperbolic jabs directed at TINA.org, it is my pleasure to set the record straight with regard to relevant factual matters.

To begin, the contention that TINA.org identified and documented "only one [improper] statement that is made by a Nerium employee or that is on Nerium's web site [sic]," is incorrect. If you are indeed unaware of the numerous inappropriate income claims made by your company and its founder and CEO Jeff Olson, a review of TINA.org's Nerium income database (<https://www.truthinadvertising.org/nerium-income-claims-database/>) will inform you at once.

By way of illustration, Nerium's website currently makes the following express and implied income claims that substantially deviate from what a typical Nerium distributor can expect to earn:<sup>1</sup>

- **"SEE HOW PEOPLE JUST LIKE YOU ARE BUILDING THEIR DREAM LIFESTYLE!"**
- "Nerium's mission is to Make People Better. One of the ways we live that out is helping people from all walks of life experience financial success, and live out their dreams."
- **"Significant Earning Potential"**
- "See how Dale and Vanessa solved their financial worries and created lasting memories as a family along the way!" (And accompanying video in which Vanessa

says, among other things, “When you don’t worry about money anymore, you don’t have to stress out over the bills, you know it’s about the choices you have – the freedom you have.”)

- “Follow Aana’s inspirational journey of building her dream life with Nerium!” (And accompanying video in which Aana says, among other things, “Nerium has just completely changed my life; everything about my life has gotten completely 100% better. We recently purchased our dream home and it’s absolutely gorgeous.”)
- “Jessica barely knew anything about skincare, but that didn’t stop her from earning her Lexus and getting her family’s finances back on track!” (And accompanying video in which Jessica states, among other things, “We’ve been doing fabulous obviously and financially we’re not struggling any longer and we’re actually looking to buy a house within the next few months or so because of Nerium. ... With Nerium, everything definitely is possible.”)
- “Nerium not only gave Nina the opportunity to earn a Lexus, it gave her the opportunity to homeschool her kids.” (And accompanying video in which Nina says, among other things, “If you want something in your life for you or your children or you and your husband or your family, take the time to dream about it because it is possible. Don’t let those dreams die. And think about Nerium as a vehicle for making that happen.”)
- “GET REWARDED TO DO WHAT YOU LOVE,” accompanied by photos of luxury cars and tropical vacations
- “Live life on your own terms | Enjoy financial freedom | Have fun and help others to have fun.”

Nerium’s contention that it takes truth in advertising laws seriously is belied by the current content present on its website. As you well know, the vast majority of distributors will never enjoy financial freedom, never “earn” a Lexus, and never obtain their “dream lifestyle” with Nerium.<sup>2</sup>

The above examples also demonstrate that your letter’s near exclusive focus on Nerium’s “independent representatives” is misplaced. Nerium has made and continues to make inappropriate income claims. As a reminder, TINA.org’s Nerium income database also contains 13 videos that were featured on Nerium’s YouTube page to market its Young Entrepreneur Program. Several begin with a voiceover claiming:

With Nerium International you can have everything. Our Young Entrepreneur Program allows you the life changing opportunity to tailor your career for unlimited success – your way.

While this voiceover plays, images of luxury cars and exotic vacations are flashed on the screen. One such video even features Olsen stating:

We have people who've earned their iPads, they've earned their cars, earned dream vacations, great incomes, six figure incomes, people making adult incomes, people making incomes that put them in the top 5 percentile of the United States.

These examples are but a sampling of a multitude of examples of inappropriate income claims being made directly by Nerium and its agents.

Further, the letter's recitation of policies, protocols, services, and staffing to address compliance issues in no way compensates for the fact that social media, and the broader internet, are littered with inappropriate Nerium health and income claims. One of the reasons for this appears to be Nerium's apparent decision to focus on "live" social media posts. Be assured that *all* Nerium posts that the company has failed to remove from the internet are available for the world to see and available for your distributors to use in marketing their wares and selling the business opportunity.

TINA.org strongly disagrees with Nerium's contention that "once some items are placed on the internet, it may not be possible to totally remove them from the internet." To date, of the more than 400 Nerium posts identified by TINA.org in its sampling of problematic health and income claims, at least 58% are still available on the internet.<sup>3</sup>

This is especially troubling when one considers that Nerium distributors are exploiting the vulnerabilities of older adults in marketing Nerium's brain supplement, EHT, as evidenced by dozens of examples in TINA.org's Nerium health claims database sampling. With more than 5 million Americans living with Alzheimer's disease as of 2016, posts like the ones below from June 27, 2017 and June 6, 2017 respectively, are disturbing, to say the least.<sup>4</sup>

Healthy brain size  
Shrunken brain with Alzheimer's disease  
Dying neuron with tangles  
Plaque  
Healthy neuron

NERIUM  
EHT®  
Age-Defying Supplement  
Mind Enhancement™ Formula

- Improves Memory Recall
- Increases Focus and Mental Alertness
- Protects and Supports Neuronal Networking
- Promotes Better Cognitive Function
- Promotes Overall Brain Health
- Boosts the Body's Immune System
- Fortifies and Strengthens Natural Brain Functions

neriumwithkashia Follow

neriumwithkashia Are you protecting your brain?!?  
Look at this diagram and soak this in for a moment. #EHT is the ONLY product out there that is a supplement and will use PP2A to regulate the #TAU protein in your brain to keep your neurons healthy. We know taking calcium is good for your bones even though you can't feel it working it's the same here. You may not feel this working but it's protecting your brain. Everybody you love should be taking this! Shoot me a personal message if you want to get more product info or to get your own EHT.

carlaantrobos Wow! Love my EHT

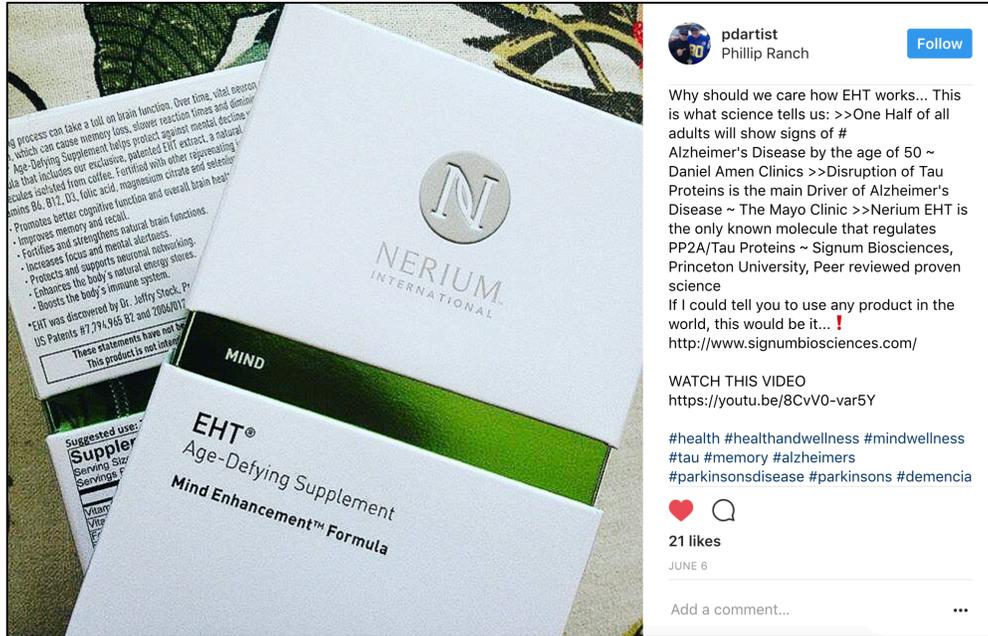
pmmoore316 EHT is awesome

willworkforpips whoa ! sweet

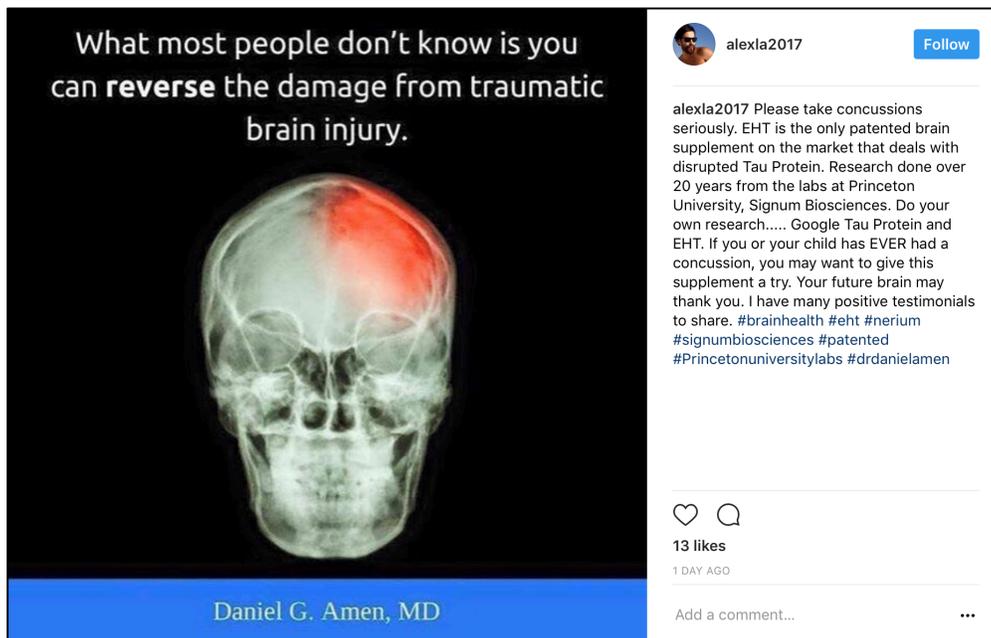
reellebizz Great post! Please check out the link in my bio and my IG page, I'd love for

25 likes  
JUNE 27

Add a comment...



Other recent troubling posts by Nerium distributors include claims that EHT can reverse the damage from traumatic brain injury caused by concussions (posted July 7, 2017), and numerous posts in June 2017 that Nerium’s EHT has helped with chronic traumatic encephalopathy (CTE).<sup>5</sup>





As the maxim goes, actions speak louder than words. If Nerium is truly committed to complying with truth in advertising laws, it will rid its website of false and misleading income claims, eliminate the inappropriate health and income claims found on the internet, and educate its employees, agents, and distributors as to what they can and cannot say when marketing Nerium.

Sincerely,

Bonnie Patten, Esq.  
Executive Director  
Truth in Advertising, Inc.

Laura Smith, Esq.  
Legal Director  
Truth in Advertising, Inc.

Cc: Thomas Pahl, Acting Director, Bureau of Consumer Protection, FTC  
Mary Engle, Associate Director, Division of Advertising Practices, FTC  
Lois Greisman, Associate Director, Division of Marketing Practices, FTC  
Ken Paxton, Attorney General of Texas  
Jared Blum, DSA Code Administrator

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<sup>1</sup> All of these Nerium claims are currently published on <http://www.nerium.com/opportunity> and <http://www.nerium.com/testimonials>.

<sup>2</sup> See Nerium's 2013 Income Declaration Statement at <https://www.truthinadvertising.org/wp-content/uploads/2017/04/NeriumIncomeDisclosure.pdf>.

<sup>3</sup> This audit does not include the additional sampling of problematic Nerium health and income claims identified by TINA.org in July 2017.

<sup>4</sup> According to the FBI, older adults are especially vulnerable to claims that promise to prevent or reverse declines in cognitive function. See United States Government Accountability Office, Report to Congressional Requesters, *Memory Supplements Clarifying FDA and FTC Roles Could Strengthen Oversight and Enhance Consumer Awareness*, GAO-17-416 (May 2017) at <http://www.gao.gov/assets/690/684620.pdf>.

<sup>5</sup> After receiving your letter, a TINA.org employee captured over 50 new disease treatment claims being made by Nerium distributors in a little over an hour, including the four highlighted above. All these inappropriate marketing claims will be added to TINA.org's Nerium health claims database. At this time, we have not conducted a renewed search for misleading income claims, but did add to our database the claims made on Nerium's website.