



April 29, 2014.

VIA REGULAR MAIL AND E-MAIL

Jessica Rich, Director
Bureau of Consumer Protection
Federal Trade Commission
600 Pennsylvania Ave. N.W.
Washington, DC 20580

Re: Vemma Sanctioned in Italy for Being a Pyramid Scheme

Dear Ms. Rich:

I write to inform you of an important decision by Italy's Autorità Garante della Concorrenza e del Mercato (AGCM), an authority charged with protecting consumers from unfair commercial practices. The AGCM sanctioned Vemma Italia S.r.l. (Vemma) €100,000 for being a pyramid scheme in February 2014 and prohibited the company from spreading or continuing its unfair business practices in Italy. It is our understanding that Vemma has appealed this decision. Attached you will find a copy of the decision and a certified English translation of it.

As you may be aware, between 2010 and 2013 the FTC received at least 40 complaints about the company and its products, according to results of Freedom of Information Act request filed by TINA.org. Complaints ranged from allegations that the company is a pyramid scheme that preys on college and high school students to customers saying their credit cards were repeatedly charged for Vemma products they didn't want.

Vemma Nutrition Company is a privately held company based in Tempe, Arizona that sells energy drinks, nutritional beverages and weight management products through a multi-level marketing system. Benson K. Borekyo and his two sisters founded the company in 2004. Mr. Borekyo, who is CEO of the company, is no stranger to the FTC and is currently bound by an FTC Consent Order as a result of a previous business, New Vision International, Inc., which made claims that its dietary supplement, "God's Recipe," could cure, prevent, or treat ADD and ADHD.

We thought it important to bring this matter to your attention because, as a practical matter, Vemma's U.S. compensation plan suffers from many of the multiple faults that Italy's AGCM found with the nearly identical Italian compensation plan.

Sincerely,

A handwritten signature in blue ink that reads "L Smith".

Laura Smith, Esq.
Legal Director

A handwritten signature in blue ink that reads "B-Patten".

Bonnie Patten, Esq.
Executive Director