



July 12, 2016

**VIA OVERNIGHT MAIL AND EMAIL**

Jessica Rich, Director, Bureau of Consumer Protection  
Mary Engle, Associate Director, Division of Advertising Practices  
Lois Greisman, Associate Director, Division of Marketing Practices  
Federal Trade Commission  
600 Pennsylvania Ave. N.W.  
Washington, D.C. 20580



Re: Deceptive Marketing for Nerium International Business Opportunity and Products

Dear Ms. Rich, Ms. Engle, and Ms. Greisman:

I write to inform you of the findings of a recent Truth in Advertising, Inc. (“TINA.org”) investigation of Nerium International (“Nerium”), a Texas-based multi-level marketing company that sells a line of skin care products, as well as an “age-defying” supplement. TINA.org’s investigation has revealed that Nerium and its distributors are engaged in a deceptive marketing campaign for both the Nerium business opportunity and products.<sup>1</sup>

**Unsubstantiated Health and Disease-Treatment Claims**

First, TINA.org found that Nerium, through its distributors, is using a plethora of deceptive and unsubstantiated health and disease-treatment claims to sell its products. In fact, TINA.org compiled over 100 examples of unsubstantiated health and disease-treatment claims made about Nerium products, such as being able to treat, cure, or alleviate the symptoms of autism, post-traumatic stress disorder, Alzheimer’s disease, Parkinson’s disease, psoriasis, eczema, acne, and rosacea. The examples are all available at <https://www.truthinadvertising.org/nerium-health-claims-database/>.

Though the company tries to give the illusion that it has robust scientific support for the health claims made about its products, none of it satisfies the required substantiation to make such health and disease-treatment claims.<sup>2</sup> In short, Nerium does not have competent and reliable scientific evidence in the form of clinical trials that are placebo-controlled, randomized, and double-blind to substantiate the claims at issue.<sup>3</sup>

## Unsubstantiated Income Claims

Second, TINA.org's investigation revealed that Nerium and its distributors are using deceptive, atypical, and unsubstantiated income claims regarding the financial gains consumers will achieve by becoming distributors. For example, Nerium advertises that its distributors can become millionaires and earn incomes that can put them in the top 5% of U.S. income earners. Not only are such results not typical, but marketing claims that boast atypical results are made without clearly and conspicuously providing appropriate income disclosures. TINA.org compiled over 100 instances of these types of income claims, which are all available at <https://www.truthinadvertising.org/nerium-income-claims-database/>.

Based on this information, we sent a letter to the company on June 6, 2016 notifying it of TINA.org's findings of inappropriate health and income claims made by Nerium and its distributors, and asked that the company remedy the deceptive marketing immediately.<sup>4</sup> The company responded on June 14, 2016 indicating that it would promptly address the issues TINA.org had identified.<sup>5</sup> However, three weeks after receiving Nerium's promising response, TINA.org audited the original sampling of deceptive claims being made about Nerium's products and business opportunity that it provided to the company, and found that the majority of the claims were still up on the Internet.

TINA.org therefore urges the FTC to commence an investigation of the claims being made by Nerium and its distributors, and take appropriate enforcement action against those found to be violating the law.<sup>6</sup>

Sincerely,



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



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

Cc: Jeff Olson, Founder and Chief Executive Officer, Nerium International  
Eric Haynes, General Counsel, Nerium International

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<sup>1</sup> TINA.org's article that discusses, among other things, Nerium's marketing claims is available at <https://www.truthinadvertising.org/dsa-award-winners-ethics-code-violators/>.

<sup>2</sup> <http://www.nerium.com/science>; <http://www.nerium.com/science/clinical-trials>.

<sup>3</sup> See *POM Wonderful, LLC v. FTC*, 777 F.3d 478 (D.C. Cir. 2015), available at [https://www.ftc.gov/system/files/documents/cases/pom\\_dc\\_circuit1\\_0.pdf](https://www.ftc.gov/system/files/documents/cases/pom_dc_circuit1_0.pdf).

<sup>4</sup> TINA.org's June 6, 2016 letter to Nerium is available at [https://www.truthinadvertising.org/wp-content/uploads/2016/06/6\\_6\\_16-ltr-from-TINA-to-Nerium\\_Redacted.pdf](https://www.truthinadvertising.org/wp-content/uploads/2016/06/6_6_16-ltr-from-TINA-to-Nerium_Redacted.pdf).

<sup>5</sup> Nerium's June 14, 2016 letter to TINA.org is available at <https://www.truthinadvertising.org/wp-content/uploads/2016/06/Nerium-response-6-14-16.pdf>.

<sup>6</sup> TINA.org has also sent a complaint letter to the Attorney General of Texas, where Nerium is headquartered.