

January 27, 2020

VIA EMAIL AND OVERNIGHT MAIL

California Food Drug and Medical Device Task Force

Allison Haley, Napa County District Attorney Katy Yount, Napa County Deputy District Attorney 1127 First Street, Suite C Napa, CA 94559

Re: Goop Inc.'s Violations of 2018 Stipulated Judgment

Dear Attorneys:

Goop is violating the 2018 Stipulated Judgment¹ that it entered into with the State of California by deceptively marketing products as having a therapeutic effect on several medical conditions.

Specifically, the 2018 Stipulated Judgment prohibits Goop from, among other things, making false or misleading statements about a nutritional supplement or medical device; claiming that any nutritional supplement or medical device can diagnose, mitigate, treat, cure, or prevent any disease without prior FDA approval; and/or claiming that any supplement or device has any effect on the conditions, disorders, or diseases listed in California Health and Safety Code section 110403.

Currently, Goop – which claims throughout its website that Goop products are made with "clinically proven … ingredients at active levels … that … deliver high-performance results…"² – deceptively markets products as able to treat and/or mitigate the symptoms of several medical conditions, including anxiety, depression, OCD, hormone imbalances, and hair loss, as well as address the symptoms of excessive alcohol consumption.³ These deceptive health claims are used to market Goop and third-party products on its website and/or in its stores, including supplements, perfumes, candles, and Goop's infamous Yoni Egg that was the subject of the State of California's 2018 lawsuit against Goop.⁴

On its website, Goop currently claims that ingredients in two perfumes and two candles can treat numerous mental disorders. For example, the ingredient descriptions for Goop's Eau de Parfum Edition 02 - Shiso claim that the perfume can treat anxiety, depression, neurosis, and OCD, and improve memory, among other things:⁵



"Clears...anxiety;" "...is amazing for depression and anxiety;" "...helps remove...OCD;""...improves memory...;" "...dissolves anxiety and depression;" "...treats...anxiety, neurosis, and OCD."⁶

Similarly, Goop sells the "Yoga in a Cup" supplement on its website, a product marketed as able to relieve anxiety:⁷



"Stress & Anxiety Relief""8

Despite the 2018 Stipulated Judgment's ban on any claims that a supplement has an effect on "conditions of the scalp, affecting hair loss, or baldness," as well as other disorders that also cause hair loss,⁹ Goop sells products that are marketed as able to treat this very issue.¹⁰ By way of example, Goop sells two supplements from Nutrafol, which, according to Goop, was co-founded by a doctor "[w]hen the stress of medical school left [her] pulling more hairs from her shower drain."¹¹ According to Goop marketing, these supplements help women grow hair.



"For women facing hair issues related to perimenopause and menopause, this supplement is made to support healthy growth...It's formulated with botanicals that support ... hormonal balance."¹²



"...to support hair growth and hair thickness...whether you're bouncing back from hair thinning or amping up what you've got..."¹³

Goop also claims that some of its products can increase "hormonal balance," including its Madame Ovary supplements and Yoni Egg.¹⁴ The Madame Ovary supplements are sold in Goop stores, on the Goop website, and on third-party websites, including Sephora.com.¹⁵ On the Goop website, a testimonial video states, "About two years ago, I was having hormonal issues. I didn't want to do a conventional treatment, so my doctor recommended that we did a more natural approach so this protocol seemed like a perfect fit for my lifestyle."¹⁶ And on Sephora.com, the product benefit is marketed as "Hormone Balance."¹⁷

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As for the Yoni Egg, as of November 2019, it was also marketed as a hormone balancing product but the health claim appeared on the product insert rather than on the website, and Goop attributes the statement to "fans" of Goop, which does not shield the company from liability:¹⁸



"Fans say regular use increases...hormonal balance..."¹⁹

In addition, Goop claims to have the solution to excessive alcohol consumption by selling supplements that allegedly help detoxify the liver and remove free radicals caused by alcohol.²⁰ One such product is Goop's G.Tox Detoxifying Superpowder:



"This daily shot...benefits both skin and body by supporting the liver's own detoxification processes. At the same time, it was formulated to help fight the formation of free radicals caused by poor diet, alcohol, stress, and environmental toxins."²¹

Also sold on the Goop website is this "party recovery" product:



"...to support the body in clearing out overindulgences – both food and drink included. ...to start recovering as soon as a little becomes a little too much."²²

TINA.org has compiled more than a dozen examples that show Goop is violating the 2018 Stipulated Judgment, all of which are available at <u>https://www.truthinadvertising.</u> org/goop-2020-database/.

In short, the above examples make clear that despite a monetary penalty and court order prohibiting Goop from making deceptive and unsubstantiated marketing claims, Goop continues to deceive consumers with inappropriate health claims in order to sell products.

For this reason, TINA.org urges your office to re-open its investigation into Goop's marketing and take appropriate enforcement action.

Sincerely,

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

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

Cc via email: Doug Allen, Santa Cruz County Asst. District Attorney Goop, Inc. Kosas Cosmetics, LLC Sephora USA Wylde One Nutrafol WTHN ¹ State of California v. Goop, Inc., Sep. 4, 2018 Final Judgment Pursuant to Stipulation, <u>https://www.truthinadvertising.org/wp-content/uploads/2018/09/Goop-California-Signed-Judgment.pdf</u>.

² See, e.g., <u>https://shop.goop.com/shop/products/g-tox-detoxifying-superpowder?country=USA&</u> <u>variant_id=67805</u>.

ABOUT THE BRAND

Here at goop we believe in making every choice count, which is why we've always been outspoken about the toxic ingredients used in personal-care and beauty products (all are effectively unregulated in this country). We're also passionate about the idea that beauty comes from the inside out. So we use clinically proven and best-in-class ingredients at active levels to create skin care, skin-boosting ingestibles, and body essentials that are luxurious, deliver high-performance results, and enliven the senses with exquisite textures and beautiful scents. We don't rest until we think our products are perfect—safe enough and powerful enough for noticeable results. (All our products are formulated without parabens, petroleum, phthalates, SLS, SLES, PEGs, TEA, DEA, silicones, or artificial dyes or fragrances. And our formulas are not tested on animals.) We hope you love them as much as we do.

³ Of note, California Health and Safety Code section 110403 lists alcoholism as a condition.

In addition to making deceptive marketing claims that violate the 2018 Stipulated Judgment, Goop also publishes articles about a number of different medical conditions. *See* <u>https://goop.com/wellness/health/</u>. In some of these articles, Goop includes a section about "nutrients and supplements for" the condition at issue and, in many cases, the Goop website sells the very supplements discussed. For example, in Goop's article about multiple sclerosis (<u>https://goop.com/wellness/health/multiple-sclerosis/</u>), the company discusses a number of supplements that may be beneficial for MS sufferers, including selenium, zinc, and resveratrol, products that Goop sells on its website. *See, e.g.*, G.Tox Detoxifying Superpowder, <u>https://shop.goop.com/shop/products/g-tox-detoxifying-superpowder?country=USA&variant_id=</u> <u>67805</u>.

⁴ As of January 2020, the Goop Yoni Egg was not for sale on the Goop website or in Goop Lab stores, including the stores in New York and California. The Yoni Egg marketing at issue in this letter is based on photographs taken of the product in November 2019 in Goop's San Francisco Goop Lab store.

⁵ Goop also markets another perfume – Eau de Parfum: Edition 01 - Church – using similar medical treatment claims about its ingredients (e.g., "Balances depression," "Detoxifies from smoking and drugs"). Two candles within the same product line make similar health claims. *See* <u>https://shop.goop.com/shop/products/eau-de-parfum-edition-01-church?country=USA;</u> <u>https://shop.goop.com/shop/products/scented-candle-edition-01-church?country=USA;</u> <u>https://shop.goop.com/shop/products/scented-candle-edition-02-shiso?country=USA.</u>

While perfumes and candles generally do not fall into the category of nutritional supplements or medical devices, they are treated as drugs by the FDA under federal law if marketed as able to treat or prevent disease. *See <u>https://www.fda.gov/cosmetics/cosmetics/cosmetic-ingredients/fragrances-cosmetics; https://www.fda.gov/cosmetics/cosmetic-products/aromatherapy.*</u>

⁶ <u>https://shop.goop.com/shop/products/eau-de-parfum-edition-02-shiso?country=USA&variant_id</u> =43044.

⁷ Goop also sells an \$18 lip balm that is marketed as able to "increase mental agility."



Photograph taken in the New York City Goop Lab store in January 2020.

⁸ <u>https://shop.goop.com/shop/products/yoga-in-a-cup?taxon_id=1289&country=USA</u>.

⁹ The 2018 Stipulated Judgment also prohibits any claims that a supplement has an effect on "endocrine disorders" or "diseases, disorders, or conditions of the immune system," both of which cause hair loss. *See* Section 8.B. of the 2018 Stipulated Judgment; California Health and Safety Code section 110403. *See also* <u>https://www.naaf.org/alopecia-areata;</u> <u>https://www.ncbi.nlm.nih.gov/pubmed/20806187</u>.

¹⁰ These statements not only violate the 2018 Stipulated Judgment, but the FTC has also prohibited companies from using similar claims without competent and reliable scientific evidence. *See, e.g.,* FTC's Proposed Consent Agreement with Nature's Bounty, Inc., et al., available at https://www.ftc.gov/sites/default/files/documents/federal_register_notices/natures-bounty-inc.et-al.proposed-consent-agreement-analysis-aid-public-comment/950511naturesbounty .pdf (note the products at issue in this FTC case contained the active ingredients L-Cysteine and L-Methionine, both of which are also active ingredients in the Nutrafol products on Goop's website).

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ABOUT THE BRAND

When the stress of medical school left Sophia Kogan pulling more hairs from her shower drain, she started looking for natural solutions. Now an MD and a co-founder at Nutrafol, Kogan helps develop supplements addressing hair health from a holistic point of view, incorporating botanicals and collagen to support strong hair and happy follicles.

<u>https://shop.goop.com/shop/products/nutrafol-women-s-balance?taxon_id=1289&country=USA;</u> <u>https://shop.goop.com/shop/products/nutrafol-women?taxon_id=1289&country=USA</u>.

While the company that manufactures and sells Nutrafol – Nutraceutical Wellness Inc. – relies on a single clinical study to support its hair growth claims, there are so many issues with the study that it does not render the treatment claims any less problematic. Among other things, the study, funded by Nutraceutical Wellness and co-conducted by its Chief Medical Advisor (and its co-founder), included only 40 participants (80 percent of whom were Caucasian) with "self-

perceived thinning hair," and used a placebo group that was composed of individuals who were older, had less hair, and reported significantly higher levels of stress (one of the root causes of hair loss, according to Nutraceutical Wellness) than those in the active treatment group at baseline. Excluded from the study were women over 65, those with diabetes, hyperthyroidism and hypothyroidism, women with hair loss disorders, those taking medication known to cause hair loss or affect hair growth, and those with active dermatologic conditions, among others. *See* <u>https://nutrafol.com/static/version1559674754/frontend/Nutrafol/wondersauce/en_US/images/pdf</u>/Nutrafol JDD 2.pdf; https://nutrafol.com/.

Further, according to the company's study, androgenetic alopecia is the most common cause of hair loss, a medical disease for which the FDA has approved two treatment drugs. *See* <u>https://rarediseases.info.nih.gov/diseases/9269/androgenetic-alopecia</u>. Thus, claims that Nutrafol (which has not been approved by the FDA) can increase hair growth are disease-treatment claims that violate Sections 8.B., 9.A., and 9.B. of the 2018 Stipulated Judgment, regardless of the existence of any (flawed) study.

¹² <u>https://shop.goop.com/shop/products/nutrafol-women-s-balance?taxon_id=1289&country=USA</u>.

¹³ https://shop.goop.com/shop/products/nutrafol-women?taxon_id=1289&country=USA.

Both of these Nutrafol products are also sold in Goop Lab stores, where the product packaging claims, among other things, that Nutrafol Women is "formulated with … medical-grade ingredients clinically shown to increase hair growth and improve hair quality," and that Nutrafol Women's Balance contains "medical-grade…ingredients for hormone health. Shown to improve hair growth…"



Photographs taken in January 2020 in the New York City Goop Lab store.

¹⁴ Hormone imbalances can be caused by a number of medical conditions. With respect to menopause, a condition referenced in some of Goop's marketing materials, it is a condition for which the FDA has approved hormone therapy medications. *See* <u>https://www.fda.gov/consumers/free-publications-women/menopause-medicines-help-you</u>.

¹⁵ Goop products are also sold on other third-party websites, including Nordstrom.com, Bloomingdales.com, Olivela.com, and CredoBeauty.com, as well as in third-party stores. *See* <u>https://goop.com/goop-retail-store-locations/</u>.

¹⁶ <u>https://shop.goop.com/shop/products/madame-ovary?country=USA</u>.

¹⁷ <u>https://www.sephora.com/product/goop-madame-ovary-vitamins-P455009?icid2=products%20</u> grid:p455009:product.

¹⁸ According to FTC law, "[a]n advertisement employing endorsements by one or more consumers about the performance of an advertised product or service will be interpreted as representing that the product or service is effective for the purpose depicted in the advertisement. Therefore, the advertiser must possess and rely upon adequate substantiation, including, when appropriate, competent and reliable scientific evidence, to support such claims made through endorsements in the same manner the advertiser would be required to do if it had made the representation directly, i.e., without using endorsements. Consumer endorsements themselves are not competent and reliable scientific evidence." *See* 16 CFR §255.2, https://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-publishes-final-guides-

governing-endorsements-testimonials/091005revisedendorsementguides.pdf.

¹⁹ See supra fn. 4.

²⁰ Such claims not only violate the 2018 Stipulated Judgment, but the Federal Trade Commission has also prohibited companies from using such claims without competent and reliable scientific evidence. *See e.g., FTC v. Liverite Products, Inc.,* Stipulated Final Order, available at <u>https://www.ftc.gov/sites/default/files/documents/cases/2001/08/liveritefinalord.htm</u>. *See also supra* fn. 3.

²¹ <u>https://shop.goop.com/shop/products/g-tox-detoxifying-superpowder?country=USA&variant_id=67805</u>. This product page also features a testimonial video that states the following:

"Hi, I'm Laurel, and I'm a private client manager at goop.com. Oh, champagne. I'll never say no to champagne, but champagne's like the problem child because it's sugar and alcohol and like double duty. ... Here's to my champagne indulgences, but also champagne toasts and celebrations and all of the above."



Goop also markets this product on its social media pages, including its Instagram and Facebook pages. *See, e.g.,* <u>https://www.instagram.com/p/B68Tv3LnUI0/?utm_source=ig_web_copy_link;</u> <u>https://www.facebook.com/goop/photos/a.470339686309520/3030388933637903/?type=3&theat er; https://www.facebook.com/watch/?v=1279780845564207.</u>

²² <u>https://shop.goop.com/shop/products/oops-i-did-it-again?taxon_id=1289&country=USA</u>.