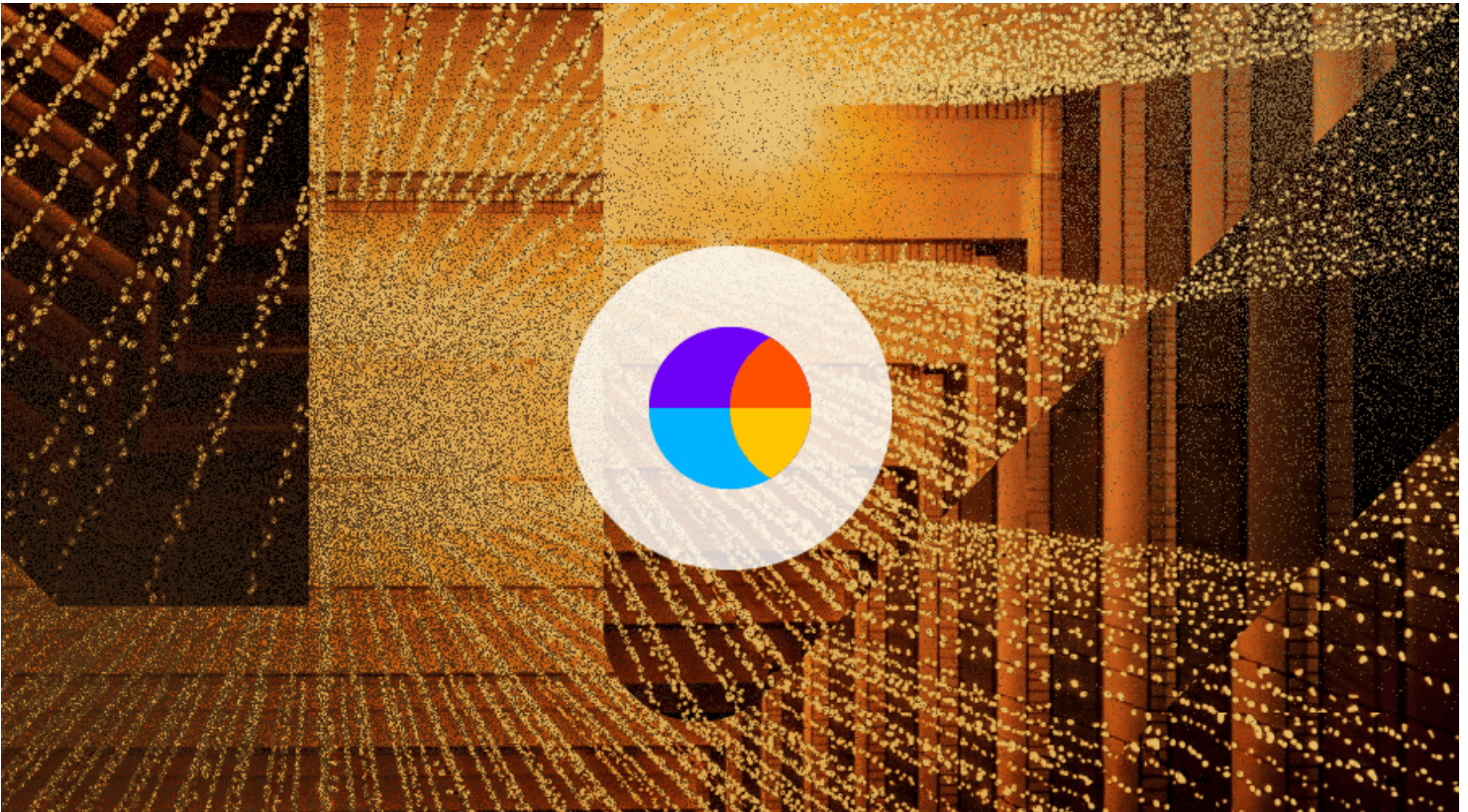


- [Vendor Privacy Program](#)
- [Volkswagen Car-Net & Audi Connect](#)

Our 501c3 Foundation



[Learn About CISR](#)

[What Is BBB National Programs?](#)

1. [Home](#)
2. [Programs](#)
3. [Advertising Self-Regulation](#)
4. [Direct Selling Self-Regulatory Council \(DSSRC\)](#)
5. [Administratively Resolved](#)
6. [Case 137-2023: Administrative Closure – Herbalife International of America, Inc.](#)

Case #137-2023: Administrative Closure – Herbalife International of America, Inc.

BBB NATIONAL PROGRAMS

Direct Selling Self-Regulatory Council

Case #137-2023: Administrative Closure – Herbalife International of America, Inc.

Company Description

Herbalife International of America, Inc., (“Herbalife” or the “Company”) is a direct selling company that sells nutritional and wellness products. The Company is headquartered in Los Angeles, California and was founded in 1980.

Basis of Inquiry

The Direct Selling Self-Regulatory Council (“DSSRC”) is a national advertising self-regulation program administered by BBB National Programs. This inquiry was commenced by DSSRC pursuant to its ongoing independent monitoring of product and income claims in the

direct selling industry.

This inquiry included nine earnings claims. The claims at issues included representations communicating that the typical Company salesforce member could earn significant income and/or achieve “financial freedom” through its participation in the Herbalife business opportunity. The subject claims were communicated on Facebook, YouTube, and/or Pinterest.

Company’s Position

Herbalife took immediate action to facilitate the removal of the social media posts. The Company also confirmed to DSSRC in writing that it attempted to contact all of the individuals who were responsible for the posts and was successful in removing or modifying eight of the nine posts brought to its attention.

With respect to the remaining post, which was disseminated on YouTube, the Company informed DSSRC that the salesforce member’s account was terminated in August 2023 due to the salesforce member’s refusal to comply with Herbalife’s request to remedy the post. The Company also confirmed to DSSRC that it has contacted YouTube to inform the platform that the post included an unauthorized income claim and requested that it be removed. The Company informed DSSRC that despite Herbalife’s best efforts, the platform has not removed the video as requested.

Administrative Closure

DSSRC greatly appreciated Herbalife’s good faith efforts to address its concerns and noted that the Company’s efforts to remove the claims brought to its attention were necessary and appropriate.

As stated in DSSRC’s Guidance on Earnings Claims for the Direct Selling Industry, while DSSRC will evaluate any claim based upon the context in which the claim appears and the potential net impression of such claim to the audience, some words and phrases commonly used in earnings claims can carry a particularly high risk of being misleading to consumers. Such words and phrases include claims such as “financial freedom” and representations referencing “unlimited income.”

Moreover, as DSSRC has noted in previous inquiries, when a direct selling company such as Herbalife is made aware of an improper income claim that was made by an individual that was an active salesforce member when the claim was made but is no longer affiliated with the company, DSSRC acknowledges that the direct selling company may not be able to require the former salesforce member to remove the claim. In that instance, DSSRC nonetheless recommends that the direct selling company make a bona fide, good faith effort to have the improper claim or post removed.¹

In this instance, although the Company was unable to facilitate the removal of the one YouTube post, DSSRC determined that Herbalife demonstrated a genuine, bona-fide effort to address the concerns in this inquiry by: a) making repeated attempts to contact the individual responsible for the YouTube video; b) following up with YouTube to inform the platform that the post was unauthorized, and; c) terminating the account of the salesforce member responsible for the post for being non responsive to the Company’s request to modify or discontinue the post.

Conclusion

Based upon the good faith actions taken by Herbalife to address DSSRC’s concerns in the inquiry and remove eight of the nine subject posts and terminate the account of the salesforce member responsible for the remaining post, DSSRC administratively closed its inquiry.

(Case #137-2023, closed on 11/20/23)

© 2023 BBB National Programs.

[1] MWR Life, LLC (Case #87-2022); Young Living Essential Oils, LLC (Case #13-2020) and Chalk Couture (Case #50-2021).

November 30, 2023

Subscribe to Stay Up-to-Date