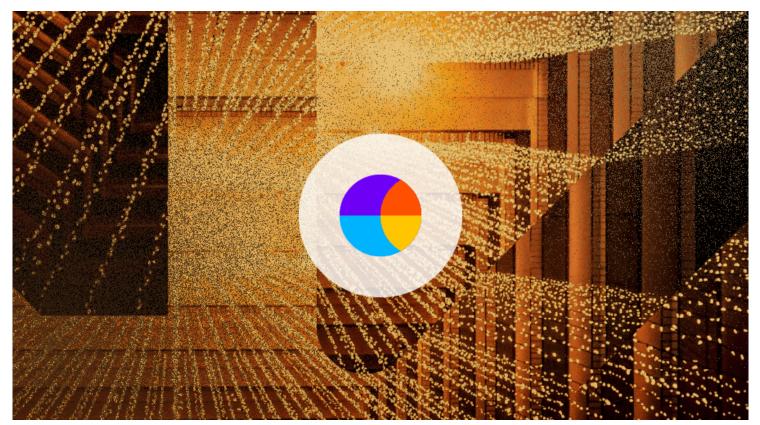
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- 1. Home
- 2. Programs
- 3. Advertising Self-Regulation
- 4. Direct Selling Self-Regulatory Council (DSSRC)
- 5. Case Decisions
- 6. Case #170-2024: PartyLite Worldwide, LLC

Case #170-2024: Administrative Closure – PartyLite Worldwide, LLC

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Direct Selling Self-Regulatory Council Case #170-2024: Administrative Closure – PartyLite Worldwide, LLC

Company Description

PartyLite Worldwide, LLC ("PartyLite" or the "Company") is a direct selling company headquartered in Plymouth, MA and founded in 1973. The Company markets candles, home décor, and home fragrance products.

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 advertising and marketing claims in

the direct selling industry.

This inquiry included nine earnings claims disseminated by Company salesforce members. The following representative claims formed the basis of this inquiry and were communicated on Facebook and YouTube.

Earnings Claims:

- "Some just love home fragrance and design, some are stay-at-home parents looking to make full-time income, some are creatives looking for extra cash, and people who want to take control of their careers. #makemoneyonlne #income"
- · "financial freedom"
- " Great full time income for part time hours

 - T 🛪 several FREE incredible tropical vacations for my hubby Steve & myself"
- "PartyLite Incentive trip, 2020.

Who's coming with me? What if i told you, you could earn this amazing once in a lifetime trip for 2, for FREE!? Airfare, the ritz Carlton hotel for a week, on PartyLite's dime?

Ask me for more information on how YOU can earn this trip, for yourself! 🍑 😇 🔅 💝

#LisbonPortugal2020

#TravelWithPartyLite"

· "financial freedom

#paydowndebt"

- · "financial freedom"
 - Image showing how much a salesforce member can earn working a part-time job versus working part-time with PartyLite
- "You: I want financial freedom ==

Me: Join the Party 🥰

Spare time, Part time, Full time, make more you time, design the life you want to live!"

- "...you can make copious amounts of money in direct selling"
- "I have been with PartyLite for over 19 years. I love the unlimited income, freedom to set my own schedule and opportunities for free all expense paid trips and growth potential in our leadership program"

Company's Position

PartyLite did not attempt to substantiate the earnings claims at issue and, instead, took action to facilitate the removal of the social media posts. The Company noted that all of the social media posts identified by DSSRC were disseminated in 2020 or before by now inactive salesforce members. Four of the nine posts that were the subject of DSSRC's inquiry were immediately removed by the Company after its receipt of DSSRC's Notice of Inquiry, while five other posts remained active.

With respect to the five remaining posts, the Company provided DSSRC with copies of the removal request correspondence that was sent to the salesforce members. PartyLite also committed to reaching out to Facebook to alert the platform about the unauthorized posts.

The Company also notified DSSRC that, effective March 1, 2024, PartyLite moved to a Brand Ambassador/Influencer model in the US, Canada, and the UK and that all sales of PartyLite products in these markets are sold only online, with no downlines for commission sharing.

Administrative Closing

DSSRC appreciated the actions taken by PartyLite to address its concerns. The Company was successful in removing four of the posts brought to its attention by DSSRC and demonstrated that it was making an ongoing, bona fide effort to resolve the remaining posts. DSSRC determined that the Company's actions were necessary and appropriate.

As stated in section 6 of DSSRC's Guidance on Earnings Claims for the Direct Selling Industry ("the DSSRC Guidance"), 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 are prohibited when made to a general audience of prospective or current salesforce members. Such words and phrases include statements such as "quit your job," "be set for life," "make more money than you ever have imagined or thought possible," "unlimited income," "full-time income," "replacement income," "career-level income," or any substantially similar statements or representations. Other terms, such as "passive income" and "residual income," are prohibited when they convey that income can be continuously earned by salesforce members with little or no ongoing effort. It is also stated in the DSSRC Guidance that some words or phrases carry a particularly high risk of being misleading to consumers when communicated in a general context. Such words and phrases include but are not limited to "financial freedom," and "time freedom."

While DSSRC appreciated the good faith actions taken by PartyLite to provide copies of the correspondence to the inactive salesforce members regarding the posts that remain publicly available, DSSRC also determined that the Company's commitment to take additional steps to remove such claims from the marketplace, including utilizing the mechanism that Facebook provides for removal of trademark or copyright violations, was warranted. As DSSRC has noted in a number of past self-regulatory inquiries, if the subject claim by a former salesforce member occurs on a website or platform without a reporting mechanism, DSSRC recommends that the Company should also contact the website or platform in writing and request removal of the subject claim or post.¹

DSSRC also recognized that the remaining posts were disseminated five years ago by inactive salesforce members and that PartyLite no longer operates as a multi-level marketing company.

For the foregoing reasons, DSSRC administratively closed its inquiry.

(Case #170, closed on 08/21/2024) © 2024 BBB National Programs.

[1] See DSSRC Case #13-2020, Young Living Essential Oils, LLC and Case# 38-2021, Zinzino, LLC.

9.08.24

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