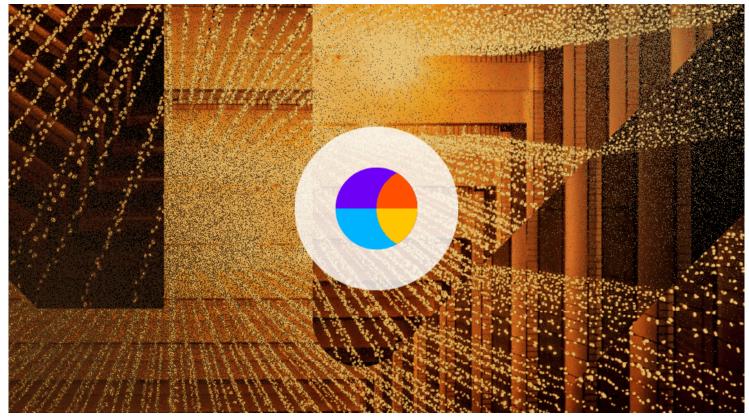
- <u>Vendor Privacy Program</u>
- Volkswagen Car-Net & Audi Connect

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. Case Decisions
- 6. Case 131-2023: Compliance Inquiry Seint Beauty

Case #131-2023: Compliance Inquiry – Seint Beauty

BBB NATIONAL PROGRAMS

Direct Selling Self-Regulatory Council Case #131-2023: Compliance Inquiry – Seint Beauty

Company Description

Seint Beauty ("Seint" or the "Company"), formerly Maskcara Beauty, is a multi-level marketing company founded in 2013 and based in St. George, Utah. The Company markets consumer and personal care products with a focus on cosmetics and cosmetic accessories.

Background

In July 2023, the Direct Selling Self-Regulatory Council ("DSSRC") administratively closed an inquiry regarding the dissemination of earnings claims communicated by Seint Beauty ("Seint" or the "Company") and its salesforce members.¹ As a demonstration of its

Case #131-2023: Compliance Inquiry - Seint Beauty - BBB National Programs

commitment to advertising self-regulation, Seint removed the earning claims (e.g., "I was able to replace my nursing income with my Seint income.") that were at issue and provided DSSRC with a commitment that it would continue to review claims made by its salesforce members to ensure their compliance with Seint's policies.

More specifically, DSSRC recognized Seint's efforts to remove the social media posts at issue, which DSSRC determined communicated claims that the typical Company salesforce member can earn significant income from the Seint business opportunity, was necessary and appropriate and noted that DSSRC would continue to monitor claims being disseminated by Seint and its salesforce members. The Company provided DSSRC with a commitment that it would continue to review claims made by its salesforce members to ensure their compliance with Seint's policies.

Shortly after the resolution of that inquiry, DSSRC identified 11 new social media posts being disseminated on Facebook by Seint salesforce members, including the following claims:

- "Looking to make some extra income or a full time income?"
- "provided my family with extra financial freedom"
- "5 paydays a month"
- "work full time"
- "This journey is something we truly can't explain.... the financial freedom, the sisterhood. 🙌 "
- "I've helped more women find financial freedom, purpose, and meaning in their lives."
- "It allows me some financial freedom to spoil my kids rotten."
- "unlimited residual income"
- "a way for you to earn an extra \$50, \$100, \$200 or even \$1000 a week"
- Who could use an extra \$500 a month? \$1000? \$2000?"
- "maybe you are looking to replace your full time income!"

DSSRC expressed concern that the earnings claims set forth above may convey the message that Company salesforce members can generate significant full-time income and achieve financial freedom by participating in Seint's business opportunity.

Company's Position

Seint immediately acknowledged receipt of DSSRC's Notice of Inquiry. The Company did not attempt to substantiate the claims, but instead informed DSSRC that the posts would be expeditiously removed.

Accordingly, Seint informed DSSRC that it contacted each of the salesforce members responsible for the claims at issue, requested that the posts be removed and offered further education to salesforce members on the appropriate dissemination of earnings claims.

Consequently, within a week after the Company's receipt of DSSRC's compliance inquiry, all of the posts identified by DSSRC were taken down. In addition to the prompt removal of the posts, Seint also informed DSSRC that since the date of the July DSSRC administrative closing, the Company has strengthened it monitoring program and made a concerted effort to provide more training and compliance oversight to its salesforce members.

Administrative Closing Determination

DSSRC determined that the actions taken by Seint were necessary and appropriate. For purposes of a DSSRC inquiry, 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, however, are prohibited when made to a general audience of prospective or current salesforce members. Such words and phrases include "unlimited income," "full-time income," "replacement income," "career-level income," or any substantially similar statements or representations. Moreover, 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."²

DSSRC greatly appreciated the prompt actions taken by the Company to remove all of the claims at issue and its good faith efforts to buttress its compliance and training processes for Company salesforce members. As such, DSSRC has administratively closed its compliance inquiry with Seint and will continue to monitor any earnings claims being made regarding the Company's business opportunity.

(Case No. 131-2023, closed on 10/04/23) © 2023 BBB National Programs [1] DSSRC Case#123-2023 – Seint Beauty.

[2] *Id*.

October 20, 2023

Subscribe to Stay Up-to-Date



BBB National Programs, navigate home

- Careers
 - Online Archive
 - Center for Industry Self-Regulation
 - Frequently Asked Questions (FAQs)
- Our Programs
 - Advertising
 - Children's
 - Privacy Accountability Dispute Resolution

 - <u>Emerging</u>
- Media & Resources
 - Events
 - <u>Blog</u>
 - Decisions
 - Press Releases