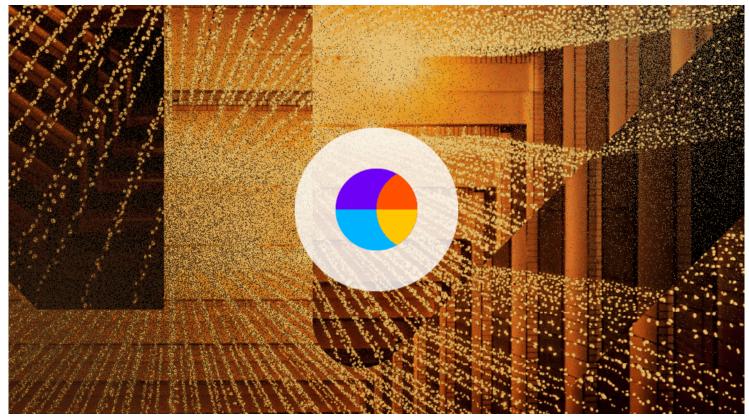
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# **Case #207-2025: Monitoring Inquiry – SeneGence International**

# **BBB NATIONAL PROGRAMS**

Direct Selling Self-Regulatory Council Case #207-2025: Monitoring Inquiry – SeneGence International

# **Company Description**

SeneGence International ("SeneGence" or the "Company") is a multi-level marketing company that was launched in 1999 and headquartered in Foot Hill Ranch, California. The Company markets skincare and cosmetic products.

## **Basis of Inquiry**

The Direct Selling Self-Regulatory Council ("DSSRC") is a national advertising self-regulation program administered by BBB National Programs.

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This inquiry was commenced by DSSRC pursuant to its ongoing independent monitoring of advertising in the direct selling industry and pertains to income claims disseminated by the Company and its salesforce members. DSSRC was concerned that the representative claims below communicated the message that the typical SeneGence salesforce member can generally expect to earn significant income from the Company's business opportunity.

The representative claims that formed the basis of DSSRC's inquiry are set forth below:

## Earnings Claims

- 1. "Joining the SeneGence community means unlocking an opportunity to build your own business, gain confidence, and empower others—on your terms. Whether you're looking for a full-time career or a rewarding side hustle, SeneGence offers the tools and support to make it happen." (Facebook November 2024)
- 2. "Become a SeneGence distributor today if you are seeking financial freedom, friendships, and new confidence!"(LinkedIn)
- 3. "How I went from:" Paralegal to stay at home mom who needed extra income 👉 full time self employed
  - 📲 limited time off when I worked my corporate job 👉 complete flexibility , my schedule my time
  - Started my business with 9 friends 👉 social selling online to replace full time income.... and so much more!" (Facebook April 2024)
- 4. "build a multi-million dollar EMPIRE business like i have Arrow It's 100% YOUR → choice!" (Facebook January 2021)
- 5. "In addition to a job at home I've travelled the world on incentive trips, and as a certified beauty trainer." (Facebook February 2021)
- 6. "If you've ever thought about starting your own side hustle or working to replace your current income... let's chat, because the initial membership fee is totally waived right now!" (Facebook January 2023)

## **Company's Position**

SeneGence chose not to provide support for the earnings claims that were brought to its attention. Rather, the Company immediately informed DSSRC that it was committed to expeditiously removing the claims at issue.

The Company informed DSSRC that, in addition to the work performed by its internal compliance department, SeneGence utilizes a thirdparty service with experience in the direct selling channel to monitor the content disseminated by its salesforce members regarding earnings claims and product claims.

The Company stated that with every notice that goes out to the salesforce member, there is a learning opportunity provided to them via direct recommendations tailored to their matter or through a training course link related to their purported violation. Senegence stated that it seeks to continue to train the field to understand applicable rules and regulations related to the direct selling industry.

With respect to the claims at issue, the Company informed DSSRC that it was successful in disabling four of the six claims during the pendency of the inquiry.

The Company informed DSSRC that the LinkedIn post, which remains publicly accessible, was disseminated by an inactive salesforce member and that SeneGence contacted both the individual responsible for the post as well as LinkedIn requesting that the post be removed.<sup>1</sup>

Regarding the remaining Facebook post, the Company contacted the salesforce members responsible for the post and the post was subsequently modified. However, SeneGence determined that the modification did not adequately address DSSRC's concerns and requested further modification of the post to add a disclosure of additional information regarding the number or percentage of SeneGence salesforce members that have earned incentive trips.<sup>2</sup>

## Analysis

DSSRC confirmed that the Company voluntarily facilitated the removal of four of the six claims identified in the inquiry<sup>3</sup> and determined that the good faith efforts of SeneGence were necessary and appropriate.

With respect to the LinkedIn post disseminated by an inactive salesforce member, which remains publicly accessible, DSSRC has recognized in past self-regulatory cases that compelling the removal of social media posts that were communicated by inactive salesforce members can be a challenging endeavor for direct selling companies.<sup>4</sup> In such cases when the company is unsuccessful in contacting the individual responsible for the post, DSSRC has also requested that the company attempt to contact the social media platform where the claim appeared to inform them of the unauthorized statement and request that it be removed. Here, as confirmation of its good faith efforts

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to address DSSRC's concerns, the Company provided DSSRC with copies of both its correspondence to the inactive salesforce member and its correspondence with LinkedIn requesting that the post/claim be removed.

The other post that remains accessible on social media involved an incentive claim ("I've travelled the world on incentive trips"). Although the salesforce member modified the claim, the Company agreed with DSSRC that the claim should be either removed in its entirety or modified to disclose material information regarding the incentive reward.

Preliminarily, DSSRC notes that any claim made by a company or salesforce member with respect to earning incentives that would not be generally expected by the typical business opportunity participant should include a clear and conspicuous disclosure of how many incentive trips are earned by the average or typical salesforce member. This disclosure is necessary to prevent the perception that the incentive trip is more accessible or attainable than it actually is for most business opportunity participants. Without this information, potential participants may be misled into overestimating their likelihood of earning the trip, leading to false or inflated expectations.

Additionally, the advertisement or social media post should include a disclosure of any specific requirements for a salesforce member to become eligible for an incentive reward. This would include any sales targets, performance quotas, or other conditions that must be met to earn the incentive. The criteria must be stated in a straightforward and unambiguous manner to avoid confusion and ensure that participants are fully aware of what is required to qualify.

When a company or salesforce member makes a claim about incentive programs, particularly those involving rewards like incentive trips, it is imperative that such claims be presented in a manner that is clear and conspicuous to avoid potential misunderstandings or misleading impressions. This is particularly important when the nature of the incentive being offered is not typical. Moreover, disclosures should be made in close proximity to the claim regarding the incentive trip, whether that claim appears in marketing materials, social media posts, or other communications. The language should be prominent and easy to understand, ensuring that the typical or average participant's chances of earning the incentive are adequately conveyed. Any important limitations or qualifications should be stated in a manner that draws the reader's attention and is not hidden in fine print or hard-to-find sections.

SeneGence has committed to DSSRC that the salesforce member will either remove the claim in its entirety or make further modifications to the social media post to disclose any and all material information regarding the typical number of incentive trips earned by the salesforce members participating in the Company's business opportunity, based on the company's incentive program data, in a manner that is clear and conspicuous. DSSRC determined that such a disclosure should accurately reflect the general attainability of such incentives to prevent any false expectations among other Company salesforce members or potential participants.

## Conclusion

DSSRC confirmed that four of the six earnings claims brought to the Company's attention have been removed and that SeneGence made a good faith effort to address the unauthorized LinkedIn claim by making a request to the inactive salesforce member and the social media platform to remove the claim. Regarding the remaining Facebook post, which included an atypical incentive claim, DSSRC recommended that the salesforce member make further modifications to the social media post to disclose any and all material information regarding the typical number of incentive trips earned by the salesforce members participating in the Company's business opportunity along with any requirements for a business opportunity participant to become eligible for an incentive reward.

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[1] SeneGence provided DSSRC with copies of the correspondence sent to the individual responsible for the post and copies of the correspondence sent to LinkedIn.

[2] SeneGence indicated to DSSRC that it is currently in the process of suggesting appropriate disclosure language to the salesforce member.

[3] The claims listed as #2 and #5 in the Basis of Inquiry remain publicly accessible.

[4] See DSSRCC Case #188-2024: Monitoring Inquiry – Valentus Global Enterprises and DSSRC Case #147-2024: Monitoring Inquiry – PaperPie f/k/a Usborne Books & More.

May 06, 2025