UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:	Edith Ramirez, Chairwoman
	Julie Brill
	M IZ Ol. II

Maureen K. Ohlhausen Joshua D. Wright Terrell McSweeny

In the Matter of

GENELINK, INC.,

a corporation, also d/b/a

GENELINK BIOSCIENCES, INC.,

and

FORUTM INTERNATIONAL CORPORATION.)

DOCKET NO. C-4457

formerly known as
GENEWIZE LIFE SCIENCES, INC.

COMPLAINT

The Federal Trade Commission, having reason to believe that GeneLink, Inc., a corporation, and foruTM International Corporation, formerly known as GeneWize Life Sciences, Inc. ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

- 1. Respondent GeneLink, Inc. ("GeneLink"), also doing business as GeneLink Biosciences, Inc., is a publicly held Pennsylvania corporation with its principal office or place of business at 8250 Exchange Drive, Suite 120, Orlando, Florida 32809.
- 2. Respondent foruTM International Corporation ("foruTM"), formerly known as GeneWize Life Sciences, Inc., is a Delaware corporation with its principal office or place of business at 1231 Greenway Drive, Suite 200, Irving, Texas 75038.
- 3. Respondents have developed, advertised, labeled, offered for sale, and sold through a multi-level marketing system utilizing affiliates and licensees, nutritional supplements and skincare products, including a line of customized products sold under several names such as

LifeMap ME DNA Customized Nutritional Supplements, GeneWize Customized Nutritional Supplements, LifeMap ME DNA Customized Skin Repair Serum, and GeneWize Customized Skin Repair Serum.

- 4. Respondents purport to customize their nutritional supplements and skincare products to each consumer's genetic disadvantages. Using an "at home" cheek swab kit, each consumer submits a cheek swab to respondents. Respondents then send the swab sample to a third-party laboratory for analysis of genetic variations called single nucleotide polymorphisms ("SNPs"). Based on the laboratory test results, respondents prepare a DNA assessment that recommends specific levels of nutritional support based on each SNP analyzed.
- 5. Respondents' LifeMap Healthy Aging Assessment analyzes 12 SNPs that purportedly affect nutritional health and aging, and their LifeMap Skin Health Assessment, formerly known as the Dermagenetic SNP Assessment, analyzes six SNPs that purportedly affect skin health and aging (collectively, "DNA Assessments"). According to respondents, each SNP "predicts biochemical processes that are associated with significant physiological disadvantages, . . . the negative potential [of which] has been scientifically proven to be modulated by nutritional supplementation." Compl. Ex. A.
- 6. Based on the DNA Assessments, respondents offer dietary supplements and skincare products that are purportedly customized to each consumer's unique genetic profile.
- 7. In their business practices, respondents obtain consumers' genetic information. Since 2008, respondents have collected genetic information from nearly 30,000 consumers.
- 8. Respondents' nutritional supplements are "drugs" or "food" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act ("FTC Act").
- 9. Respondents' skincare products are "drugs" or "cosmetics" within the meaning of Sections 12 and 15 of the FTC Act.
- 10. The acts and practices of respondents, as alleged herein, have been in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act.

Advertising and Marketing

11. Respondents have developed and disseminated or caused to be disseminated advertisements, packaging, and promotional materials for respondents' genetically customized nutritional supplements and skincare products including, but not limited to, Exhibits A through I. These materials contain the following statements and depictions:

A. LifeMap ME DNA Customized Nutritional Supplement Pamphlet (Ex. A)

Healthy Aging is Now as Close as Your **DNA!**

Genetically Customized Nutritional Supplements Made Exclusively for You.

* * *

Why These Aging Genes?

Although human DNA contains several million natural genetic variations (called SNPs), GeneLink scientists used the following criteria to choose the SNPs for the GeneWize Healthy Aging DNA Assessment:

- **1. Valid**: The existence of the SNP is supported by solid, credible, scientific evidence.
- **2. Important**: A SNP predicts biochemical processes that are associated with significant physiological disadvantages.
- **3. Frequent**: [T]he SNP is relatively common among the general population.
- **4. Actionable**: A SNP's negative potential has been scientifically proven to be modulated by nutritional supplementation.

B. The New Wellness Frontier Brochure (Ex. B)

By analyzing and understanding your unique genetic strengths and weaknesses, you can eliminate the guesswork and "genetically guide" the optimal nutritional supplement or skincare formulation to match your LifeMap Healthy Aging AssessmentTM.

... Research shows that we can measure SNPs and have the ability to impact the expression of our genes through proper nutritional support.

* * *

What will I feel after taking my LifeMap ME Formula?

Since everyone's body is different, you'll likely receive unique benefits from your product. Some of the benefits you may notice and some you may not. Some of the most common benefits people report include:

- ➤ Ability to fall asleep faster
- ➤ Longer, deeper sleep . . .

You may or may not experience these same results. Your body is unique and so is your formula. It makes sense that your results will be unique too.

C. Your Genetic Compass Brochure (Ex. C)

GENETICALLY GUIDED PERSONALIZATION OF NUTRIENT AND SKIN CARE FORMULATIONS.

The Nutragenetic and Dermagenetic SNP assessments [i.e., the DNA Assessments] examine a variety of genes which are responsible for making proteins that play a very important role in our overall health. These include oxidative stress, heart and circulatory health, immune health, bone health, pulmary [sic] health, eye/vision health, defense against environmental pollutants, collagen breakdown, photoaging, skin slacking & wrinkling and mild irritation.

KEY POINT If the Nutragenetic and Dermagenetic SNP test predicts that you might not be as efficient as possible in any given health area, you may be able to do something about it. For every SNP tested, there are potentially compensating and enhancing nutrients that can put you on a better path toward optimal health.

* * *

There are millions of SNPs. However, only certain subsets are associated with increased risk for disease and physiologic health conditions. . . . GeneLink selects only those SNPs which can be addressed using nutrients or formulations or lifestyle modifications.

D. Welcome to genewize [sic]: Making Wellness Personal Brochure (Ex. D)

What Are Your Options to Improve Health and Wellbeing?

- Eating healthier?
- Pharmaceuticals?
- Exercise?
- Guessing at supplements?
- Genetically guided nutrition!

Do you have a plan to capitalize on this new science?

* * *

GeneWize... Connecting the Dots

- Over 14 Years R&D Prior To Launch
- Developed significant DNA tests for SNPs on "Heavy Lifters"
- Developed "SNP Boosts" to mitigate, compensate, or bypass SNP effects
- Powerful health and wellness benefits!

ONLY comprehensive genetically guided products!

A View Into Your Patient or Customer . . .

- Patented DNA Collection Kit
- Sophisticated Assessment
- Confidentiality
- Pinpoint Genetic Predispositions
- Personalized Formula

Over 500,000 Possibilities

With a simple cheek swab

We Assess . . . Others Guess . . .

E. Cover Letter to GeneWize Fulfillment Package (Ex. E)

LifeMap EssentialsTM Your Foundation for Optimal Wellness

Welcome and congratulations for taking an important next step toward healthy aging with the most advanced and scientifically proven nutritional supplement programs available – the **LifeMap Nutrition**TM **System**, which consists of the following:

- 1. The **LifeMap DNA collection kit** (provided by GeneLink, Inc.)
- 2. The **LifeMap Essentials** TM formula (A non-custom foundation supplement to be taken while awaiting your Healthy Aging Report & DNA guided LifeMap Custom formula)
- 3. The **LifeMap DNA Healthy Aging Report**TM (results in about 4 weeks after mailing your DNA collection kit)
- 4. The **LifeMap Custom**TM formula (A totally customized formula based on your DNA)

F. GeneWize Official Website, mygenewize.com (Ex. F)

LifeMap NutritionTM System Testimonials

Seeing is believing but I can't believe what [I] am seeing!

... [T]he best of all is the lack of pain on my knees and hips when running. Running was my passion but severe knee and hip pain kept me from it the last 10 years. LifeMap is renewing me in ways I never thought possible. . . .

Loving life, Margarita Nido Stewart

* * *

GeneWize has changed my health and my life!

I'm in my 5th month on the LifeMap Custom supplements and I'm amazed by my personal results. So far I've experienced great sleep, great energy, great skin, and much more. Plus, I continually notice even more positive changes: prior to taking the LifeMap supplements, my memory wasn't the greatest – but now I feel much sharper mentally! This is very important to me because my Mother had Alzheimer's. . . .

Roberta Johnson, GeneWize Affiliate, Miami, Florida

* * *

Thanks for the Memories

... I do have certain health challenges and when I started taking my LifeMap Product, after about a week and a half I was amazed to feel tremendous results! Before, I was getting only about three hours of sleep, now I can finally sleep! My concentration & memory also seem to be improving! . . .

Lina M. Oliver

* * *

LifeMap Nutrition Meets Karaoke!

After taking the LifeMap Product for only two weeks I have a lot more energy and my dry skin has improved dramatically. . . . I also began to see something amazing happen: I went from getting very little sleep at night to now sleeping like a baby! I've been waking up feeling so refreshed that I want to jump up and down on my bed like a child I'm feeling so happy I've been out singing Karaoke and having a blast.

You couldn't pay me to stop taking the LifeMap NutritionTM. I have the energy to pursue my dreams of being a singer, and much more! . . .

Talina Oblander

* * *

Wife Says, "Send me my LifeMap Nutrition too."

I have been taking the LifeMap NutritionTM supplement now for two months.

Although I wanted my wife to try the program too, she just wouldn't budge. She said she'd have to wait to see how I felt first. Well, I'm now sleeping through the night for the first time in twelve years. . . .

Ernest Smith

* * *

Another Sleep Story. It's Making Us Sleepy

I've always had a problem with sleeping through the night. Within two days of taking the LifeMap product I immediately noticed I

was finding the special peace a full seven to eight hours of sleep offers. Problem solved! GeneWize has revolutionized my life and I bless all the company every day for it's [sic] incredible science.

. .

Kent Riedesel

G. GeneWize e-lift newsletter: Monthly E-News Exclusively for GeneWize Affiliates (Ex. G)

Spotlighting Top Leader Chief Alexander Taku: My Visionary Source Of Success In GeneWize

... I decided to enroll in GeneWize and know my DNA ... six months ago. . . . My health condition prior to this occasion was life-threatening. ... I was a serious diabetic and cardiac patient. . . One would never have imagined . . . that a company would come up with free DNA assessments for all! . . . Six months on the products has produced wonderful results. My blood sugar has stabilized at 80/130 and my diabetic problem is over, while a recent medical report has revealed the reduction of my heart to normal size. . . . For the last six months, I have only been taking my free GeneWize nutritional supplements. . . .

H. GeneWize Affiliate Website, thegenecollective.com (Ex. H)

Zero limits Gene Team

* * *

I've been fielding a lot of questions about just what Genewize [sic] has done for people.

I myself can report deeper sleep and healthier feeling skin. I've talked with a number of people who have experienced improvements in everything from blood pressure to eczema to hormonal issues to arthritis. The most common observations people note are better sleep and improved energy levels....

* * *

I am a Massage Therapist and have had tremendous pain and stiffness in the morning after doing too many massages for the last few years. I used to take Glucosamine, which did seem to help with the pain and stiffness, but it wasn't total relief. After taking the LifeMap product it hit me one day that I was no longer in pain when I woke in the morning, and the stiffness had disappeared. You see, my Genetic Assessment Report had found that I need maximum support for the car ilage [sic] in my body. Mystery solved!....

Warm Regards, A.R., LMP

* * *

... [T]he best of all is he [sic] lack of pain on my knees and hips when running. Running was my passion but severe knee and hip pain kept me from it the last 10 years. LifeMap is renewing me in ways I never thought possible. ?? [sic] Thank you to all those behind the GeneWize Lifemap [sic] NutritionTM System . . . Now, can you imagine what LifeMap is doing to what we can't see!!!

Loving life, M.N.S.

I. LifeMap ME DNA Skin Repair Serum Pamphlet (Ex. I)

Historic Evolution in Skin Care Genetically Customized Skin Care Made Exclusively for You.

* * *

What Do Your Genes Know That You Don't?

DNA profiling revolutionized the legal world, and now it's doing the same for skin care. Now the same technology can be used to identify a whole new set of perpetrators. The main suspects? Collagen breakdown, sun damage, sensitivity, and oxidative stress caused by free radical activity due to environmental polution [sic].

So how do you know how susceptible you are to these aging culprits?

Take a minute to swab inside your cheek. Place your DNA sample inside our bar-coded envelope, and send to our lab. We assess six skin health genes to tell you what skin aging problems you're likely to face as you age.

The information is then used to customize a skin repair serum using a combination of active ingredients selected to compensate for particular deficiencies in areas of skin aging, wrinkling, collagen breakdown, irritation and the skin's ability to defend against environmental stresses.

* * *

How Does it Work?

* * *

The patented, non-invasive simple swab allows you to peek into your predispositions to discover what your genes have to say about your skin aging future.

* * *

Clinically Proven Results

An eight-week, double blind, randomized and controlled clinical study compared the performance of placebo skin care versus the performance of the "genetically-customized" skin care formula containing active ingredients designed for each participant. For those using the genetically-customized formulation, 62% reported substantial reduction in the appearance of wrinkles after 14 days of treatment. After 56 days, the number of participants reporting reduction in the appearance of wrinkles rose to 70%. Similarly, after 14 days, 56% of the participants indicated improved skin firmness and after eight weeks of treatment those with improvements in skin firmness rose to 70%.

* * *

LifeMap ME DNA Skin Repair Ingredient List

Thanks to the custom nature of our product, the ingredient list will represent the latest breakthrough ingredients which have been clinically proven to enhance or diminish aging predispositions.

- 12. Through the means described in Paragraph 11, respondents have represented, expressly or by implication, that genetic disadvantages identified through respondents' DNA Assessments are scientifically proven to be mitigated or compensated for with nutritional supplementation.
- 13. In truth and in fact, genetic disadvantages identified through respondents' DNA Assessments are not scientifically proven to be mitigated or compensated for with nutritional supplementation. Therefore, the representation set forth in Paragraph 12 was, and is, false or misleading.
- 14. Through the means described in Paragraph 11, respondents have represented, expressly or by implication, that their custom-blended nutritional supplements effectively compensate for genetic disadvantages identified by respondents' DNA Assessments, thereby reducing an individual's risk of impaired health or illness.

- 15. Through the means described in Paragraph 11, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representation set forth in Paragraph 14 at the time the representation was made.
- 16. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representation set forth in Paragraph 14, at the time the representation was made. Therefore, the representation set forth in Paragraph 15 was, and is, false or misleading.
- 17. Through the use of testimonials, as described in Paragraph 11, respondents have represented, expressly or by implication, that their custom-blended nutritional supplements treat or mitigate diabetes, heart disease, arthritis, and insomnia, among other ailments.
- 18. Through the means described in Paragraph 11, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 17 at the time the representations were made.
- 19. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 17, at the time the representations were made. Therefore, the representation set forth in Paragraph 18 was, and is, false or misleading.
- 20. Through the means described in Paragraph 11, including, but not necessarily limited to, the statements and depictions contained in the materials attached as Exhibit I, respondents have represented, expressly or by implication, that their genetically customized skin repair serum is scientifically proven to: (a) reduce the appearance of wrinkles and improve skin firmness; and (b) enhance or diminish aging predispositions, including collagen breakdown, sun damage, and oxidative stress.
- 21. In truth and in fact, respondents' genetically customized skin repair serum is not scientifically proven to: (a) reduce the appearance of wrinkles and improve skin firmness; or (b) enhance or diminish aging predispositions, including collagen breakdown, sun damage, and oxidative stress. Therefore, the representations set forth in Paragraph 20 were, and are, false or misleading.
- 22. Respondents have provided advertisements and promotional materials to affiliates for use in their marketing and sale of respondents' genetically customized nutritional supplements and skincare products, including the attached Exhibits A and G.
- 23. Through the means described in Paragraph 22, respondents have provided means and instrumentalities to respondents' affiliates in furtherance of the deceptive and misleading acts or practices alleged in Paragraphs 12 through 21.

Data Security

- 24. Through sales of purported genetically customized nutritional supplements and skincare products, respondents obtain consumers' personal information, including, but not limited to, consumers' names, addresses, email addresses, telephone numbers, dates of birth, Social Security numbers, bank account numbers, credit card account numbers, and genetic information.
- 25. Respondents use third parties to receive, process, or maintain this personal information ("service providers"), and respondents store consumers' personal information on their corporate network.
- 26. Respondents permit service providers to access consumers' personal information so that service providers may, among other services, develop and maintain respondents' customer relationship management database, fulfill customers' orders, and develop related applications.
- 27. Misuse of the types of personal information respondents collect including Social Security numbers, dates of birth, and genetic information can facilitate identity theft, privacy harms, and other consumer injuries.
- 28. Since at least November 2008, respondents have disseminated or caused to be disseminated to consumers privacy policies and statements, including, but not limited to, a Privacy Protection Policy (Exhibit J). This policy contains the following statements:

GeneWize Life Sciences, Inc. Privacy Protection Policy (Exhibit J)

GeneWize Life Sciences respects the privacy of every individual and has taken every precaution to create a process that allows individuals to maintain the highest level of privacy. All information provided by the individual taking the assessment is kept on a secure server

* * *

We send Personal Customer Information to third-party subcontractors and agents that work on our behalf to provide certain services. These third parties do not have the right to use the Personal Customer Information beyond what is necessary to assist us or fulfill your order. They are contractually obligated to maintain the confidentiality and security of the Personal Customer Information and are restricted from using such information in any way not expressly authorized by GENEWIZE.

29. Respondents have engaged in a number of practices that, taken together, failed to provide reasonable and appropriate security for consumers' personal information. Among other things, respondents:

- A. Failed to implement reasonable policies and procedures to protect the security of consumers' personal information collected and maintained by respondents;
- B. Failed to require by contract that service providers implement and maintain appropriate safeguards for consumers' personal information;
- C. Failed to provide reasonable oversight of service providers, for instance by requiring that service providers implement simple, low-cost, and readily available defenses to protect consumers' personal information;
- D. Created unnecessary risks to personal information by:
 - i. maintaining consumers' personal information, including consumers' names, addresses, email addresses, telephone numbers, dates of birth, Social Security numbers, and bank account numbers, in clear text;
 - ii. providing respondents' employees, regardless of business need, with access to consumers' complete personal information;
 - iii. providing service providers with access to consumers' complete personal information, rather than, for example, to fictitious data sets, to develop new applications;
 - iv. failing to perform assessments to identify reasonably foreseeable risks to the security, integrity, and confidentiality of consumers' personal information on respondents' network; and
 - v. providing a service provider that needed only certain categories of information for its business purposes with access to consumers' complete personal information; and
- E. Did not use readily available security measures to limit wireless access to their network.
- 30. In March 2012, respondents' failure to provide reasonable oversight of service providers and respondents' failure to limit employees' access to consumers' personal information resulted in a vulnerability that, until respondents were alerted by an affiliate, provided that affiliate with the ability to access the personal information of every foruTM (then known as GeneWize) customer and affiliate in respondents' customer relationship management database. The personal information that could have been accessed included consumers' names, addresses, email addresses, telephone numbers, dates of birth, and Social Security numbers.
- 31. Through the means described in Paragraph 28, respondents have represented, expressly or by implication, that they implement reasonable and appropriate measures to secure consumers' personal information.

- 32. In truth and in fact, as set forth in Paragraph 29, respondents have not implemented reasonable and appropriate measures to protect consumers' personal information from unauthorized access. Therefore, the representation set forth in Paragraph 31 was, and is, false or misleading.
- 33. As set forth in Paragraph 29, respondents failed to employ reasonable and appropriate measures to prevent unauthorized access to consumers' personal information. Respondents' practices are likely to cause substantial injury to consumers that is not reasonably avoidable by consumers themselves and is not outweighed by countervailing benefits to consumers or competition. This practice was, and is, an unfair act or practice.
- 34. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices, and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act.

THEREFORE, the Federal Trade Commission, this eighth day of May, 2014, has issued this complaint against respondents.

By the Commission, Commissioner Ohlhausen dissenting, and Commissioner McSweeny not participating.

Donald S. Clark Secretary

SEAL: