Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of EasyButter, LLC, Matter No. 202 3047

The Federal Trade Commission ("FTC" or "Commission") has accepted, subject to final approval, an agreement containing a consent order with EASYBUTTER, LLC, ("EasyButter") and Michael Solomon, individually and as an officer and owner of EASYBUTTER, LLC. ("Respondents").

The proposed consent order ("order") has been placed on the public record for 30 days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After 30 days, the Commission will again review the order and the comments received, and will decide whether it should withdraw the order or make it final.

This matter involves the Respondents' advertising of products containing cannabidiol ("CBD Products). The complaint alleges that Respondents violated Sections 5(a) and 12 of the FTC Act by disseminating false and unsubstantiated advertisements claiming that: (1) their CBD Products prevent diabetes and treat acne, AIDS, autism, bipolar disorder, cancer, depression, epilepsy, PTSD, seizures, and substance abuse; (2) tests or studies prove that their CBD products treat autism; and (3) doctors recommend CBD over prescription medications for depression and PTSD.

The order includes injunctive relief that prohibits these alleged violations and fences in similar and related conduct. The product coverage would apply to any dietary supplement, drug, or food the Respondents sell, market, promote, or advertise, including CBD Products

Part I prohibits Respondents from making any representation about the efficacy of any covered product, including that such product will: (1) alleviate or cure seizures; or (2) cure, mitigate, or treat any disease, including but not limited to acne, AIDS, autism, bipolar disorder, cancer, depression, diabetes, epilepsy, post-traumatic stress disorder, and substance abuse, unless the representation is non-misleading, including that, at the time such representation is made, he possesses and relies upon competent and reliable scientific evidence that substantiates that the representation is true.

For purposes of Part I, "competent and reliable scientific evidence" must consist of human clinical testing of the covered product or of an essentially equivalent product that is sufficient in quality and quantity, based on standards generally accepted by experts in the relevant disease, condition, or function to which the representation relates, when considered in light of the entire body of relevant and reliable scientific evidence, to substantiate that the representation is true. Such testing must be: (1) randomized, double-blind, and placebo-controlled; and (2) conducted by researchers qualified by training and experience to conduct such testing.

Part II prohibits Respondents from making any representation, other than representations covered under Part I, about the health benefits, performance, efficacy, safety or side effects of any covered product, unless the representation is non-misleading, including that, at the time such representation is made, they possess and rely upon competent and reliable scientific evidence that is sufficient in quality and quantity based on standards generally accepted by experts in the relevant disease, condition, or function to which the representation relates, when considered in light of the entire body of relevant and reliable scientific evidence, to substantiate that the representation is true.

For purposes of Part II, "competent and reliable scientific evidence" means tests, analyses, research, or studies that (1) have been conducted and evaluated in an objective manner by experts in the relevant disease, condition, or function to which the representation relates; (2) that are generally accepted by such experts to yield accurate and reliable results; and (3) that are randomized, double-blind, and placebo-controlled human clinical testing of the covered product, or of an essentially equivalent product, when such experts would generally require such human clinical testing to substantiate that the representation is true.

Part III requires that with regard to any human clinical test or study ("test") upon which the Respondents rely to substantiate any claim covered by the order, the Respondents must secure and preserve all underlying or supporting data and documents generally accepted by experts in the field as relevant to an assessment of a test.

Part IV prohibits Respondents from misrepresenting: (1) that any covered product is scientifically proven to treat autism; (2) that doctors recommend any covered product over prescription medications for depression, and PTSD; (3) that the performance or benefits of any product are scientifically or clinically proven; or (4) the existence, contents, validity, results, conclusions, or interpretations of any test, study, or other research; are scientifically or clinically proven.

Part V provides Respondents a safe harbor for making claims approved by the Food and Drug Administration ("FDA").

Part VI requires Respondents to pay the Commission $36,254.37 within 8 days of the effective date of the order.

Part VII requires Respondents to relinquish dominion and all legal and equitable right, title, and interest in all assets transferred pursuant to the order.

Part VIII requires Respondents to send notices to consumers who purchased their CBD products informing them about the settlement.

Parts IX requires Respondents to submit an acknowledgement of receipt of the order, and for the individual Respondent to serve the order on certain individuals, including all officers or directors of any business the individual Respondent controls and employees having

managerial responsibilities for conduct related to the subject matter of the order, and to obtain acknowledgements from each individual or entity to which a Respondent has delivered a copy of the order.

Part X requires Respondents to file compliance reports with the Commission, and to notify the Commission of bankruptcy filings or changes in corporate structure that might affect compliance obligations. **Part XI** contains recordkeeping requirements for accounting records, personnel records, consumer correspondence, advertising and marketing materials, and claim substantiation, as well as all records necessary to demonstrate compliance or non-compliance with the order. **Part XII** contains other requirements related to the Commission's monitoring of the Respondents' order compliance. **Part XIII** provides the effective dates of the order, including that, with exceptions, the order will terminate in 20 years.

The purpose of this analysis is to facilitate public comment on the order, and it is not intended to constitute an official interpretation of the complaint or order, or to modify the order's terms in any way.