

United States of America FEDERAL TRADE COMMISSION Washington, D.C. 20580

Division of Advertising Practices

October 5, 2021

Via Electronic Mail (kenplevan@gmx.com)
Kenneth A. Plevan, Esq.
Chair
National Advertising Review Board
112 Madison Avenue, 3rd Floor
New York, NY 10016

Re: Advertising by Avadim Health, Inc. for Theraworx Relief homeopathic products

Dear Mr. Plevan:

Thank you for your letter referring a NARB Decision involving efficacy and establishment claims by Avadim Health, Inc. ("Avadim") for Theraworx Relief homeopathic external relief products. Avadim claimed that its Theraworx Relief for Muscle Cramp & Spasm Foam, among other things, is "clinically proven to prevent foot and leg cramps when used daily" and "[r]educes symptoms associated with restless leg syndrome (RLS)." The advertiser also made claims that its Theraworx Relief for Joint Discomfort & Inflammation Foam "relieves arthritic . . . joints." Avadim further claimed that "[a]ll Theraworx Relief products are clinically proven safe and effective" and prominently featured consumer testimonials and expert endorsements in its advertising.

In October 2020, NAD recommended that Avadim discontinue the claims at issue in the NAD Challenge, including efficacy, establishment, and endorsement claims. Avadim timely appealed. On appeal from NAD's initial determination, the NARB panel affirmed the NAD's Decision on December 16, 2020. In its Advertiser's Statement, Avadim disputed the findings of the NARB panel and stated it would not comply with NARB's recommendation. Accordingly, NARB referred this matter to the FTC on January 11, 2021.

In addition to reviewing the NAD and NARB case record, we had several meetings with Avadim's counsel regarding the claims at issue. While in negotiations with FTC staff, Avadim filed for bankruptcy, and its assets were purchased by Avadim Holdings, Inc., an unaffiliated entity. Subsequently, Avadim Holdings agreed to make significant modifications of the television and online advertising at issue, including discontinuing certain television ads, removing all references to clinical proof, deleting other implied establishment claims, and eliminating claims about disease conditions, including arthritis and Restless Leg Syndrome. Accordingly, we have determined not to take additional action at this time. In coming to this conclusion, we considered a number of factors related to resource allocation and enforcement

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priorities, as well as the nature of any FTC Act violation and the type and severity of any consumer injury.

The Commission reserves the right to take such further action as the public interest may require. We appreciate your referral and the opportunity to support the NARB's self-regulatory process.

Very truly yours,

s/ Carolyn L. Hann

Carolyn L. Hann Chief of Staff for Advertising Practices

cc: Edward F. Glynn, Jr, Esq., Locke Lord LLP