



UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

April 24, 2020
Via Electronic Mail

It Works Marketing, Inc.
c/o Timothy M. Seat, General Counsel
908 Riverside Drive
Palmetto, Florida 34221

**Warning Regarding Earnings Claims Related to Coronavirus
Disease 2019 (COVID-19)**

Dear Mr. Seat,

FTC staff has reviewed social media posts made by It Works Marketing, Inc. (“It Works!”), on your social media website at <https://www.facebook.com/TheOfficialItWorks/>, and by It Works! business opportunity participants or representatives that unlawfully misrepresent that consumers who become It Works! business opportunity participants are likely to earn substantial income. This letter is to provide you with information about laws and regulations enforced by the Federal Trade Commission (“FTC”) that may bear upon your business activities, including the activities of your business opportunity participants and representatives.

Some examples of earnings claims made on your corporate social media website include:

- A video with the description “... Because of It Works!, her family’s income isn’t impacted by COVID-19. Learn how you can start working from home and earning \$500 a month!,” and the statement: “[E]veryone’s getting stimulus checks right now.... There is no better investment you could do.... Take that money that you’re about to get back... figure out a way to make this happen tonight.”
- A video with the description “Tune in LIVE to learn how to build a business and earn an extra \$500 a month—all from the comfort of your couch!....,” and the statements: “She joined this business...and decided to go for it and so January, February, March . . . she decided to go for it and . . . earned herself that \$15,000 bonus. . . . That’s life change right there, and it’s possible. . . . In my organization in the business, we had 70 promotions in March. . . March 2020—a month that people . . . had a lot of uncertainty. We had people promote and move up in the ranks.” A second person responds, “You guys, that could be you. If you’re watching right now, that could be you.... There’s a whole gamut of options for you guys, but there’s also, like, the sky is the limit. . . . Can you imagine if you can take your family on dream vacations? . . . People are doing it. Why not you?”

Some examples of earnings claims made by your business opportunity participants or representatives include:

- “During the recession in 2008, my company went debt free. Right now during these hard times, my company is KILLING it. Why? Because people want to work from home. People see why this is such an amazing plan B.... Within 6 months I was making more than I was making at my government job! At the age of 29, I will become a millionaire all from my social media! At 23 I have been a top enroller top leader At 25 I will be a top income earner! And within all these years, I have paid every bill with this business, every trip/ vacation has been paid in cash ALL WHILE GIVING BACK!!.... So if you are struggling and need MORE, this is your chance.”
- “So much uncertainty in the world right now but our team is NOT struggling. We are having the biggest month EVER and it’s only the 4th! sooooo many people changing their LIFE right now and are pushing to earn a \$15,000 and \$20,000 bonuses! Working from home has never been such a blessing. Does anyone else need an income working from home right now?!”
- “I was going to ask who wants to earn \$500 from their phone but skrew that! Who wants to learn how to make a \$15,000 bonus?! #gobig #andstayhome In such an unsure time I’ve been able to already help 2 girls on my team promote and double promote! Right now I’m charting 3 of them for their own \$15,000 bonuses!... And I can help you do the same if you’re hard working and serious about this!... Ya girls about to hit a \$20,000 bonus When are you going to stop watching and wondering if this is real?”

Representations about a business opportunity, including earnings claims, violate Section 5 of the FTC Act, 15 U.S.C. § 41 *et seq.*, if they are false, misleading, or unsubstantiated and material to consumers. Express and implied earnings claims must be truthful and non-misleading to avoid being deceptive, which means that claims about the potential to achieve a wealthy lifestyle, career-level income, or significant income are false or misleading if business opportunity participants generally do not achieve such results. Even truthful testimonials from or about participants who do earn significant income or more will likely be misleading unless the advertising also makes clear the amount earned or lost by most participants. It Works! and your business opportunity participants and representatives must immediately cease making all express and implied earnings claims that would be false or misleading to current or prospective participants.

You are responsible for the claims of your business opportunity participants and representatives. As the FTC stated in the January 2019 [Business Guidance Concerning Multi-Level Marketing](#), the compensation structure of a Multi-Level Marketing entity (“MLM”) may create incentives for its participants to make certain representations to current or prospective participants. “As a consequence, an MLM should (i) direct its participants not to make false, misleading, or unsubstantiated representations and (ii) monitor its participants so they don’t make false, misleading, or unsubstantiated representations.”

You are advised to review all claims relating to your business opportunity and immediately cease, and require your business opportunity participants and representatives to cease, making claims that are not supported by the evidence or substantiation described above.

Within 48 hours, please send reply via email to COVID-19-Task-Force@ftc.gov describing the specific actions you have taken to address the FTC's concerns. If you have any questions regarding compliance with the FTC Act, please contact us at COVID-19-Task-Force@ftc.gov.

Sincerely,

Federal Trade Commission Staff