



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

April 24, 2020
Via Electronic Mail

Modere, Inc.
c/o Michelle Wilson, General Counsel
588 S 2000 W
Springville, Utah 84663

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

Dear Ms. Wilson,

FTC staff has reviewed social media posts made by Modere, Inc. (“Modere”) business opportunity participants or representatives that unlawfully advertise that certain products treat or prevent Coronavirus Disease 2019 (COVID-19) and misrepresent that consumers who become Modere 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 Coronavirus prevention or treatment claims made by your business opportunity participants or representatives include:

- “STAY SAFE!! MAKE YOUR IMMUNE SYSTEM STRONG!!! Standard coronavirus protection kit . #antiseptics and #immunity_support.”
- “In the midst of all this corona virus hype, we should all be focused on IMMUNE HEALTH Guys forget about toilet paper!!!! This is WHAT YOU NEED!!!! I’ve had a few people ask me this week what products do we sell that helps protect them and their families... THE MODERE SOLUTION... this powerful formula will assist the immune and respiratory systems in the defence [sic] against everyday attacks. Immune Health can also promote recovery during periods of illness, and, when taken regularly, it may help to boost the response time of the immune system allowing it to effectively maintain health and wellness.”

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

- A video with the description “... We have been so blessed as 7-figure earners and we are here to help you, achieve your financial or time freedom goals,” and the statements” “The timing for you to get involved with an online business is second to none guys. . . . In the United States alone, 3.3 million people filed for

unemployment last week alone. So guess what? They're looking to make an extra \$200, \$300, \$400, \$500 right part time right now. . . . You have the ability to make money right away. . . . There are so many people right now that are looking for something. That will be looking for something. . . . We give them an opportunity to really have a better quality of life, however they want to define it. Whether it be an extra 50 bucks, an extra 500 bucks, an extra 5,000 bucks—they get to choose the quality of life that they want here at Modere.”

- “I have a [question] for you as we move forward in this NEW economy – have you decided what your financial safety net or back up plan will be? . . . Connect with me to talk about earning \$500-\$1500 a month from home.”

It is unlawful under the FTC Act, 15 U.S.C. § 41 *et seq.*, to advertise that a product can prevent, treat, or cure human disease unless you possess competent and reliable scientific evidence, including, when appropriate, well-controlled human clinical studies, substantiating that the claims are true at the time they are made. For COVID-19, no such study is currently known to exist for the products identified above. Thus, any coronavirus-related prevention or treatment claims regarding such products are not supported by competent and reliable scientific evidence. You must immediately cease making all such claims.

Additionally, 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 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. 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 products and 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