

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

April 24, 2020 *Via Electronic Mail* 

Pruvit Ventures, Inc. c/o David G. Upton, General Counsel 901 Sam Rayburn Highway Melissa, Texas 75454

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

Dear Mr. Upton,

FTC staff has reviewed social media posts made by Pruvit Ventures, Inc. ("Pruvit") 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 Pruvit 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:

- "Got the coronavirus heebeegeebees? Boost your immunity with this amazing deal!!!!" The image accompanying the post shows Pruvit products beneath the phrase "Immunity Boost Pack."
- "This breakdown of the coronavirus is really good!! . . . Some products you might currently be using for fat loss are also as a benefit helping your immunity . . . Signal OS enhances natural immune function . . ." The image accompanying the post shows Pruvit products beneath the phrase "Immunity Boost Pack."
- "With all the concerns over the COVID-9 Coronavirus Instead of stockpiling toilet paper, you need to do something to help you fight the virus! Boost your immune system with our Immunity Boost Pack! Use intermittent fasting in conjunction with our ketones, signal OS caps, and MCT 143! Order while supplies last! #immunesupport #immunesystem #immuneboost #coronavirus #covid\_19." The image accompanying the post shows Pruvit products beneath the phrase "Immunity Boost Pack."
- "I'm so excited for this!! It's so important to keep your immune system up, but especially right now with the Coronavirus spreading rapidly. BETTER health is TØP priority! Introducing our Immunity BOOST Pack, full of technology to

support you this season." The image accompanying the post shows Pruvit products beneath the phrase "Immunity Boost Pack."

• "Protocol for Study of Virgin Coconut Oil and COVID-19 (I have oil in stock if anyone needs some ) Virgin coconut oil contains 60% lauric and capric fatty acids, which are well known to kill many viruses and are used as such in sprays, wipes, oral and skin care products. Here is a protocol with rationale and how-to-use guidelines to supplement treatment for people with COVID-19 infection and another guide for people to prevent it. Developed by MDs, PhDs at Ateneo University in the Philippines (with my input) and going under study at hospitals there. Direct lab testing of the virus is also underway."

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

- A video titled "How to make money from home with the new Pruvit promo," with the statement: "I can tell you that there's thousands of people that are out of work right now. They're all looking for a way to go earn money. This is a great stimulus package, because you get to teach somebody how to go earn \$1,730 literally in their first 10 days in the business."
- A video titled "THRIVING IN THIS NEW ECONOMY // HOW TO BUILD A • PRUVIT BUSINESS FROM A TOP INCOME EARNER," with the description "with these uncertain times, one thing we know for sure is that fortune favors the bold. People have nothing but TIME right now to level up and get better, to pivot and overcome or fall behind even more. Which way are you heading? In light of what's going on in the entire world right now...." with the statements: "[I]'ve also been able to create a very lucrative business that helps me literally live life on my terms. I live in a beautiful house in Nevada by myself. It's a million-dollar house. I'm driving a Tesla.... I have—debt free.... In light of what's going on, we want more people to jump in on this opportunity and to make money in this uncertain time, but also, realize that this is the future. Having skills to build an online business is not a bonus. At this point, it's a necessity. . . . There's more job security online than there is in brick and mortars. . . . [5:55] [O]ne dollar. That's all it takes to just start this business, which can potentially make you 3, 4, 5, 6, 7 figures a year.... Imagine financial freedom. Whatever that looks like to you, it is here. You're fully able to access that and tap into that."

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 <u>Business Guidance Concerning Multi-Level Marketing</u>, 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