

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

April 24, 2020 Via Electronic Mail

Total Life Changes, LLC c/o Ron Rose, Director of Legal and Compliance 6095 Corporate Dr. Fair Haven, Michigan 48023

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

Dear Mr. Rose,

FTC staff has reviewed social media posts made by Total Life Changes, LLC ("Total Life Changes") 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 Total Life Changes 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:

- "Have you had your vitamins today! Did your kids have their vitamins? Did you get your daily dose of Fruits and vegetables? HOW WILL YOU FIGHT OFF CORONA? USE NUTRABURST-CHAGA- .... #coronacure #coronaprevention ... #immunesupport #immunebooster ... #immunesystembooster"
- "Yesss Protect Your Immune System... #nutraburst #coronavirusfighter ... #immunesystembooster." The text accompanied the image of a product with a surgical mask and a caption reading, "PROTECT YOURSELF. GIVE YOUR IMMUNE SYSTEM THE BOOST IT NEEDS."
- "BOOST UP YOUR IMMUNE SYSTEM!!! Don't get caught out there and #Corona grab a hold of you." Text accompanied an image of four bottles of Nutra Burst.
- "Worried about vulnerability to the Coronavirus? Why not boost your immune system with a shot of #NutraBurstLiquidVitamins. Ol' time people seh... "betta to be safe dan sorry." Text accompanied an image of a bottle of Nutra Burst.
- "Stay COVID-19 Free# Nutraburst clicklinkinbio"

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

- A video titled "MAKE MONEY DURING THE QUARANTINE WITH TOTAL LIFE CHANGES," with the statement "I'm providing y'all with the opportunity to make money from home, as I am. I'm providing y'all with the opportunity to make an extra 100 to 500 dollars a week. Ok?" accompanied by the text "EXTRA 100-\$500 A WEEK" over the image in the video.
- A video in which the narrator, describing a social media post by a team member who previously worked as a DJ, states "We're in the middle of Corona and... there's no parties there's no events so he has nothing to DJ. So [the DJ] says... 'I'm out of work for seven days and its day one. And I made \$200 in just one day! If you're a go getter and ready to invest in yourself and start your at home business ask me how now...' He's been in the business a very short period of time and look, today alone he made \$200!" The narrator, describing a second team member's social media post, "She made \$100 yesterday just by following the plan."
- "You call up family and friends and you say, 'Hey look. I've got this business... I need you guys to come on in here and do this, because we're laid off, we're quarantined, we can't go anywhere, we might as well make some money online!'... 50 people, \$20 per product sold. That's \$1,000. Ok?... Don't you want to do that? When you sitting around and not making anything? This is some good money. Very good money... That is your immune system boosting food that everyone needs right now, because of this COVID-19... Why not do this? Because you're either going to sit at home quarantined and do nothing or you're going to sit at home quarantined and get on that phone or your laptop or whatever you got at home to be online with and make you some money. I would think that's a pretty good deal, especially when you getting that quick fast money such as TLC is paying you. And that's not including the other three [ways to make money in TLC], I just showed you the main two."

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