

BBB NATIONAL PROGRAMS, INC.
The Direct Selling Self-Regulatory Council
Case Number 38-2021: –Monitoring Inquiry– Zinzino, LLC.

Company Description

Zinzino, LLC (“Zinzino” or the “Company”) is a direct selling company founded in 2005 that offers nutritional supplements to consumers. The Company is headquartered in Frölunda, Sweden and has a subsidiary in Jupiter, Florida.

Basis of Inquiry

The Direct Selling Self-Regulatory Council (“DSSRC”) is a national advertising self-regulation program administered by BBB National Programs. This inquiry was commenced by DSSRC pursuant to its ongoing independent monitoring of advertising and marketing claims in the direct selling industry.

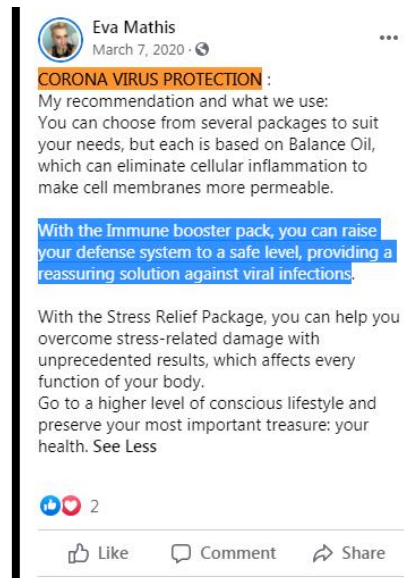
DSSRC identified the following representative product performance claims disseminated by independent salesforce members on social media and earnings claims on the Company website. DSSRC was concerned that the representative claims below communicate that Zinzino products can protect against serious health-related conditions and that the typical Zinzino salesforce members can generally expect to earn significant income from the Company’s business opportunity.

I. Product Claims

- “COVID-19 Solution
Omega 3 and Vitamin-D can help with this disease”



BalanceOil with Test



- “CORONA VIRUS PROTECTION
My Recommendation and what we use.
You can choose from several packages to suit your needs, but each is
Based on Balance Oil which can eliminate cellular inflammation to make cell
membranes more permeable”

II. Earnings Claim

- “Zinzino represents a unique opportunity. Start part-time or full-time self-employment with minimal risk. As an independent partner you will experience the joy that comes from selling breakthrough products that really change lives. Take the first step towards health and wealth today.”¹

ZINZINO

HEALTH PREMIER OFFERS WHY US OPPORTUNITY



Zinzino represents a unique opportunity. Start part-time or full-time self-employment with minimal risk. As an independent partner you will experience the joy that comes from selling breakthrough products that really change lives. Take the first step towards health and wealth today.

Company’s Position

Zinzino was responsive to DSSRC’s concerns and immediately removed the social media post which included the claim “COVID-19 Solution - “COVID-19 Solution - Omega 3 and Vitamin-D can help with this disease.”

With respect to the remaining social media post, which originated in Sweden, the Company advised DSSRC that it had left three unanswered messages with the salesforce member responsible for the post and that the Zinzino compliance team in Sweden had also attempted to contact the salesforce member without success.

With respect to the claim on the Zinzino website offering potential salesforce members a “full time business opportunity” and the “the first step towards health and

¹ DSSRC noted that this claim also appears as descriptive language in a Google search for Zinzino.

wealth,” the Company stated that it had advised its compliance committee to remove or significantly revise the statement.

Analysis and Recommendation

I. Product Claims

DSSRC expressed its appreciation to Zinzino for its immediate actions to remove the social media post referencing COVID-19, an action that DSSRC determined was necessary and appropriate. However, DSSRC remained concerned that the second social media post promising “CORONA VIRUS PROTECTION” remained accessible to consumers.²

Zinzino did not dispute that the Company’s products were not intended to diagnose, treat, cure, or prevent any disease and there was no testing data provided by Zinzino into the case record indicating that its products are effective against the coronavirus.³

As such, DSSRC requested that the Company provide DSSRC with copies of its communication to the salesforce member asking the salesforce member to remove the post. Although the Company advised DSSRC that it had attempted to contact the salesforce member responsible for the post it did not provide DSSRC with copies of the correspondence to the salesforce member and, accordingly, there was no indication given regarding the subsequent enforcement measures, if any, that were taken against the salesforce member.

As noted in previous DSSRC inquiries, if the individual who disseminated the post is an active salesforce member, DSSRC recommends that the Company contact the individual and request that the post be removed pursuant to the Company’s compliance policies and procedures and take the appropriate enforcement measures if the salesforce member refuses to remove the post. If the remaining post was made by a salesforce member that later became inactive, DSSRC recommends that, promptly upon learning of such a claim, a direct selling company should make a bona fide good faith effort to contact the former salesforce member to request that the improper claim be removed. DSSRC also recommends that the Company take additional steps to remove such claims from the marketplace including utilizing the mechanism that websites and social media platforms may have for removal of trademark or copyright violations. If the subject claim by a former salesforce member occurs on a website or platform without a reporting

² During the pendency of the inquiry, DSSRC became aware of other social media posts which communicated a similar message regarding the effectiveness of Zinzino products against the coronavirus. DSSRC forwarded those posts to the attention of the Company.

³ It is well-established that claims concerning the efficacy of health products should be supported by competent and reliable scientific evidence. The Federal Trade Commission generally defines competent and reliable scientific evidence as: “tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area that has been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.”

mechanism, DSSRC recommends that the Company should also contact the website or platform in writing and request removal of the subject claim or post.⁴

II. Earnings Claim

According to the Federal Trade Commission, statements indicating that business opportunity participants while not necessarily becoming wealthy, can achieve career-level income are likely to be false or misleading when made to current or prospective participants.⁵

Moreover, as noted in section seven of the DSSRC's Guidance on Earnings Claims for the Direct Selling Industry⁶, DSSRC will evaluate any claim based upon the context in which the claim appears and the potential net impression of such claim to the audience. Some words and phrases commonly used in earnings claims can carry a particularly high risk of being misleading to consumers. Such words and phrases include claims such as "financial freedom," "full-time income," "replacement income," "residual income," and "career-level income."

DSSRC concluded that the claim on the Zinzino website stating: "Zinzino represents a unique opportunity. Start part-time or full-time self-employment with minimal risk. As an independent partner you will experience the joy that comes from selling breakthrough products that really change lives. Take the first step towards health and wealth today" could be reasonably interpreted by consumers as meaning that they can expect to earn significant (i.e., "full-time") income from the Zinzino business opportunity. Moreover, DSSRC determined that the statement "Take the first step towards ... wealth today" contributed to such a take-away.

Although, Zinzino indicated that it has requested that the Company's compliance committee remove or significantly revise the statement, the claim remained on the Company website in its original context throughout the pendency of the DSSRC inquiry. As such, DSSRC recommends that the Company take immediate steps to remove or significantly modify the statement.

Conclusion

DSSRC recognized that the two social media posts that were the subject of this inquiry originated overseas and appreciated the Company's good faith efforts to remove the post referencing a "COVID-19 Solution." However, DSSRC remained concerned that the second post indicating that the Company's products provide "CORONA VIRUS PROTECTION" remains accessible to consumers. DSSRC recommended that the Company immediately effectuate removal of the remaining post and, should it be

⁴ See DSSRC Case #13-2020, Young Living Essential Oils, LLC.

⁵ See , Federal Trade Commission's Business Guidance Concerning Multi-Level Marketing, paragraph 13, third bullet point.

⁶ https://bbbnp-bbbp-stf-use1-01.s3.amazonaws.com/docs/default-source/dssrc/dssrc_guidanceonearningsclaimsforthedirectsellingindustry_2020.pdf?sfvrsn=4ecfd36_6

unsuccessful in contacting the salesforce member responsible for the post, take the proper enforcement actions to suspend or terminate its relationship with that sales force member. DSSRC recommends that the Company should also contact the website or platform in writing and request removal of the subject claim or post.

DSSRC also determined that the claims on the Zinzino website referencing “full-time self-employment” and the “...first step towards ... wealth today” could be reasonably interpreted by consumers as meaning that they can expect to earn significant income from the Zinzino business opportunity. In the absence of any evidence indicating that such a level of an income can be generally expected by participants of the Zinzino business opportunity, DSSRC recommended that the Company remove or significantly modify the statement.

Company Statement

“Zinzino appreciates the recommendation of the DSSRC. The Company is in the process of revising the website and contacting the salesforce members responsible for the remaining post. This correspondence will confirm that Zinzino agrees to adhere to your recommendations in full.”

(Case No. 38-2021 PCM, closed on 06/09/21)
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