

BBB NATIONAL PROGRAMS
THE DIRECT SELLING SELF-REGULATORY COUNCIL

Young Living Essential Oils, LLC

Case No: 64-2022
Filed: March 21, 2022

COMPLIANCE REPORT

I. Company Description

Young Living Essential Oils, LLC (“Young Living” or the “Company”) is a global multi-level direct selling company that sells essential oils and other personal care and wellness products.

II. Background

The Direct Selling Self-Regulatory Council (“DSSRC”) is a national advertising self-regulation program administered by BBB National Programs.

In 2020, DSSRC resolved an inquiry initiated by a non-governmental organization (NGO)¹ regarding the dissemination of a number health-related claims communicated by Young Living salesforce members on social media. Young Living did not attempt to substantiate the health-related claims at issue and conceded that such claims should not have been made by the Company’s distributor. Indeed, the Company’s own educational and training materials for distributors make clear that health-related claims such as those at issue in that inquiry were not authorized by Young Living. As a demonstration of its commitment to advertising self-regulation, Young Living addressed over 150 product performance claims that were disseminated by its salesforce members and on Company blogs and websites.

In response to the concerns raised by DSSRC, the Company stated that its distributor compliance program monitors its distributors’ online behavior and educates them on and enforces its distributor policies regarding product claims. Young Living further stated that the Company identified that a vast majority of all product claim violations are made by new distributors who are first-time offenders. According to the Company, this pattern suggested that the Company’s existing distributor base largely follows Young Living’s policies, and that the Company’s educational program and compliance efforts are effective.

¹ www.TINA.org

In that inquiry, Young Living provided DSSRC with a Company Statement that was included in DSSRC's report which stated that:

"... [Young Living] appreciated the opportunity to respond to Challenger's allegations and explain its robust distributor compliance program. Per [DSSRC's] recommendation, Young Living will continue to actively monitor the marketplace for improper health-related claims made by active distributors and will continue to employ enforcement mechanisms to remove such claims. Young Living also agrees to: (i) make reasonable efforts to request that former distributors who made improper products claims while Young Living distributors remove such claims and (ii) make reasonable efforts to request that such claims be removed through IP enforcement mechanisms when Young Living can confidently determine that Young Living's IP was improperly used and Young Living has adequate IP rights to request its removal."

III. Compliance Inquiry

As part of its compliance process, DSSRC will independently review advertising that has been the subject of previous inquiries and determine if the direct selling company has made a good faith effort to abide by DSSRC's recommendations and adhere to the commitment expressed in its Company Statement. Here, the NGO that initiated the 2020 DSSRC inquiry called DSSRC's attention to claims communicated in a YouTube video and on sway.office.com² that Young Living's essential oils and supplements can prevent, treat, and mitigate the symptoms of COVID-19.

DSSRC contacted Young Living and asked the Company to provide an update on the actions it had taken to adhere to the Company's commitment to comply with the recommendations made by DSSRC in its 2020 decision and, in addition, to address the message communicated in the YouTube video and on sway.office.com that Young Living products can effectively treat COVID-19 and its symptoms.

IV. Company's Position

In its response, Young Living emphasized that that the Company's compliance department regularly monitors the posts of its members and corrects them when necessary. The Company stated that it has recently taken on a more proactive role to provide guidance to its salesforce members.³ Young Living informed DSSRC that its compliance department creates infographics and other educational materials providing direction on compliant claims that distributors may make.

Upon receiving the DSSRC compliance inquiry, the Company stated that it took immediate action to remove the claims in question. As a result, Young Living was able to

² Sway.com is a presentation program affiliated with Microsoft that allows users who have a Microsoft account to combine text and media to create a presentable website.

³ The Company indicated to DSSRC that its distributor compliance department has effectively removed a number of potential COVID-related claims since the beginning of the COVID-19 pandemic.

facilitate the removal of the video. The Young Living distributor compliance department also discussed the matter with the Young Living Brand Partner who posted the information, educated the salesforce member about the issues, and took appropriate disciplinary action as permitted by its policies and procedures to ensure future violations of this nature will not occur.

Further, the Company provided DSSRC with a copy of the 2020 letter that was emailed to its Brand Partners to remind them about their obligations relating to the product and earning claims specifically relating to COVID-19 and the pandemic. The Company has since updated the 2020 letter with micrographics as another training and reminder to the field about the product and earning claims relating to COVID-19. Young Living also provided DSSRC with copies of seven different reminder updates that have been sent to its brand partners reinforcing that Company salesforce members should not:

- state or imply that any Young Living products can be used to prevent, cure, destroy or contain the spread of COVID-19;
- state or imply that participation in the Young Living business opportunity can replace income lost due to unemployment or economic slowdown; or
- reference COVID-19 (or related concepts such as pandemic, quarantine, lockdown, social distancing, recession, unemployment, etc.) when marketing Young Living or its business opportunity.

The Company explained to DSSRC that these materials are made available to distributors through the virtual office section of the Young Living website (accessed by a personal login), along with many other materials relating to product and earnings claims. The materials are also made available to anyone with interest in Young Living through the Company's social media accounts.⁴

V. Compliance Determination

DSSRC recognized the good faith actions that were taken by Young Living to address the video that was the subject of this compliance inquiry. The Company did not attempt to substantiate the claims communicated in the posts at issue and acknowledged that the posts brought to its attention by the NGO were not appropriate and did not adhere to the Company's Policy and Procedure. Upon being informed about the problematic claims, Young Living took immediate steps to reconcile the matter, which included both removal of the video as well as engaging in direct dialogue with the salesforce member to provide further education and training regarding appropriate claim communication. The salesforce member was also appropriately disciplined by Young Living pursuant to its Policy & Procedures.

In attempting to have the YouTube video disabled, the Young Living salesforce member responsible for the dissemination of the posts originally designated the video as private. However, as DSSRC has noted in past matters involving videos that were designated as

⁴ <https://www.facebook.com/ylconductsuccess/>.

“private” by a direct selling company, while private videos may no longer be available on the internet to a general audience of consumers, because private videos may nevertheless include claims that are unrepresentative and not appropriately qualified, these videos should not be disseminated to even a limited audience in the context in which they were originally communicated.⁵ Shortly after being advised of DSSRC’s concerns, Young Living worked with the salesforce member to have the video removed in its entirety.

VI. Conclusion

DSSRC acknowledged the steps taken by the Company to remove the video at issue in this compliance inquiry and determined that the removal of such video was necessary and appropriate.

(Case No. 64-2022, closed on March 21, 2022)

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5 See LurrLife, LLC, DSSRC #27-2020; Jeunesse Global, DSSRC #53-2021.