

BBB NATIONAL PROGRAMS

THE DIRECT SELLING SELF-REGULATORY COUNCIL

Vyvo, Inc.

Case No. 79-2022

Filed 8/4/22

Government Referral

I. Company Description

Vyvo, Inc., (“Vyvo” or the “Company”) is a multi-level direct selling company that markets a smart watch, DNA and genetics testing, and nutritional supplements. The Company is located in Santa Clara, California.

II. 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 in the direct selling marketplace and concerns earnings claims disseminated by the Company and its salesforce members.

The representative claims that formed the basis of this inquiry are set forth below:

Earnings Claims:

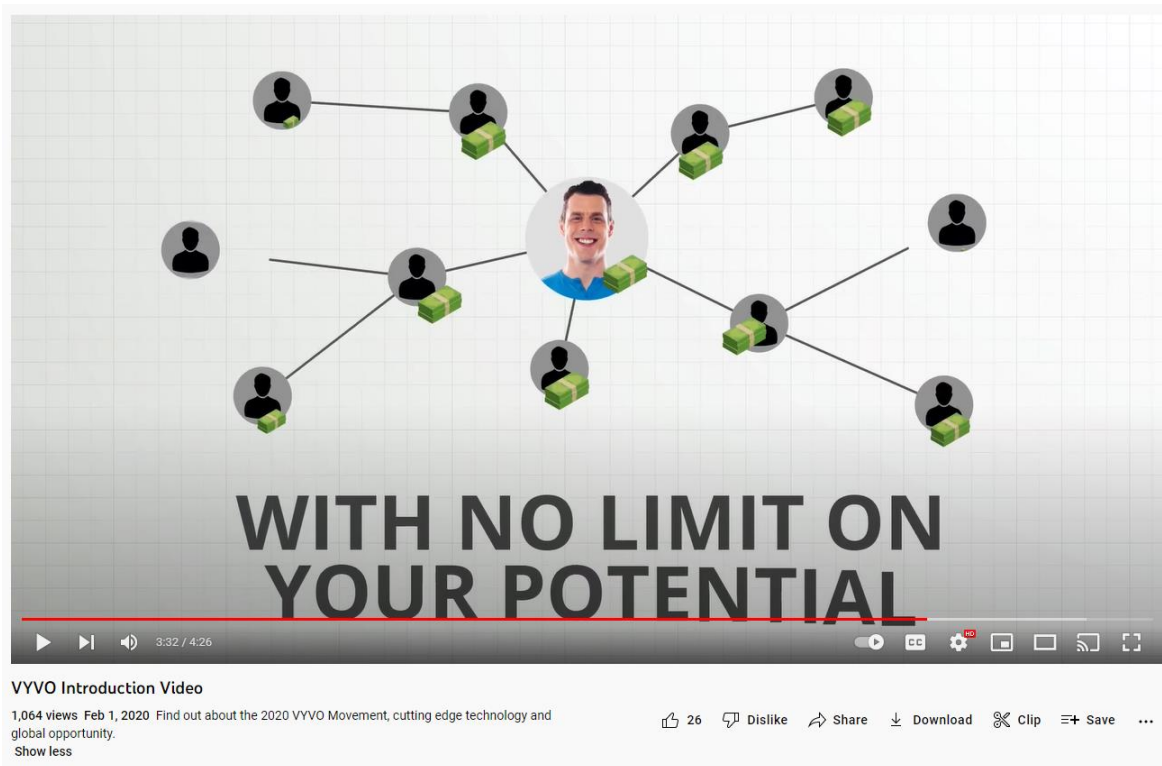
- “Vyvo make passive income long time 🤗
Vyvo can save your life everytime 😊
Vyvo helps you make more money 💰
Vyvo is a good and independent business 😊
Vyvo wants to people all over the world to be rich ❤️”
- “Are you okay with NOT having the Financial and Time freedom you deserve?
Would you like to earn you piece of TECH MONEY?”
- “Discover how to earn an additional income or maybe completely change your life with VYVO’s opportunities.”

- “Passive income every day! even if you are just a customer! You can earn lots of \$\$\$! Become a partner!!!”
- “You can now start your own business in technology. It’s simple and rewarding, let me help you. Part-time or full, improve your finances today...#financialfreedom #beyourownboss”



- “Take advantage of the benefits and boost your business thank to the VYVO Power Boost Promotion #financialfreedom #residualincome”
- “Ask me how you can have an opportunity to create residual income in your spare time with this Amazing Technology Giant!”

- “Just imagine being rewarded for members you have introduced in this incredible community and then profiting from the members they have introduced with no limit on your potential.”



- “Tired of the 9 to 5 grind? Tired of sitting in traffic every morning at 8am? Tired of your boss??? Dm me now /WhatsApp:+1(312-270-1273) to link up with (\$1,800) in 3 days for more details on how to build a residual income!!!!”
- “Customer Referral Program and we are confident that it will provide you with a solid foundation to help you achieve your financial goals through the Smart PayPlan. These are some of the commissions you will be paid : Fast Retail Bonus, Cashback bonus, Money Box, Builder Brick Bonus, Generation matching bonus, Business development bonus, Vyvo ranks. This is your opportunity to have financial freedom.”
- “The fastest growing markets worldwide great products with real market demand, an easy customer referral program that is completely free to join the lucrative compensation, the most exciting instant bonuses in the industry”

DSSRC expressed its concern that such earnings claims convey the message that participants in the Company’s business opportunity can generally expect to earn significant and career-level income.

III. Company's Non-Participation in the DSSRC Process

Despite the fact all but one of the social media posts at issue are accessible in the United States and the Company maintains an official website¹, DSSRC could find little contact information for Vyvo. Although the Company does have a website, it does not provide a telephone number or email address for consumer or business inquiries. DSSRC was able to locate a general email for the Company and, in addition to sending hard copies of case correspondence to its mailing address, DSSRC emailed copies of correspondence to info@vyvo.com.

On June 13, 2022, sent a Notice of Inquiry by USPS 2-day mail to Vyvo at its Santa Clara headquarters and by email as noted above.

After the Company failed to provide a response within 15 business days, DSSRC continued to try to contact the Company and sent a 10-day notice to Vyvo on July 7, 2022 indicating that, if the Company failed to provide a response to DSSRC regarding the claims and issue within 10 business days, the matter would be referred to the appropriate government agency.²

Notwithstanding the additional opportunity to respond to DSSRC's inquiry, the Company again failed to respond. DSSRC has also confirmed that all but one of the social media posts at issue remain active and accessible to the public.

IV. Referral to the Government

DSSRC determined that a number of aggressive earnings claims are being disseminated by Vyvo salesforce members on social media, including claims communicating that participants in the Company's business opportunity can generally expect to earn significant income, passive income, and achieve financial freedom. All such claims appear unsupported.

As stated in the DSSRC Guidance on Earnings Claims for the Direct Selling Industry, it is misleading for a direct selling company and/or its salesforce members to make any earnings claims unless the direct selling company and/or its salesforce members have a reasonable basis for its claim at the time the claim is made and have documentation that substantiates the claim at the time the claim is made.³

DSSRC remains concerned with the earnings claims that were communicated by the Company's salesforce members. While 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 are prohibited when made to a general audience of prospective or current salesforce members. Such words and phrases include statements such as "quit your job," "be set for life," "make more money than you ever have imagined or thought possible," "unlimited income," "full-

¹ www.vyvo.com

² DSSRC was able to find a telephone number for a payment processor for Vyvo and speak with them. Unfortunately, the payment processor was unable to provide any contact information for the Company.

³ See the DSSRC Guidance on Earnings Claims for the Direct Selling Industry; https://bbbnp-bbbp-stf-use1-01.s3.amazonaws.com/docs/default-source/dssrc/dssrc_guidanceonearningsclaimsforthedirectsellingindustry.pdf.

time income,” “replacement income,” “career-level income,” or any substantially similar statements or representations. Other terms, such as “passive income” and “residual income,” are prohibited when they convey that income can be continuously earned by salesforce members with little or no ongoing effort. Some words or phrases carry a particularly high risk of being misleading to consumers when communicated in a general context. Such words and phrases include but are not limited to “financial freedom,” and “time freedom.”⁴ Accordingly, DSSRC was concerned that the claims listed in the Basis of Inquiry communicate the message that Vyvo salesforce members will typically earn significant income from the Company’s business opportunity.

In accordance with section (II)(9) of the DSSRC Policies and Procedures, in the event the company whose marketing is the subject of a DSSRC inquiry fails to participate in the self-regulatory process, DSSRC may refer the matter to an appropriate government agency for review and possible law enforcement action.

Accordingly, based upon Vyvo’s failure to respond to the self-regulatory inquiry and address DSSRC’s concerns, this matter has been referred this matter to the Federal Trade Commission.

(Case No. 79-2022. Closed on August 4, 2022)

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⁴ *Id* at section 6.