BBB NATIONAL PROGRAMS

THE DIRECT SELLING SELF-REGULATORY COUNCIL

Immunotec	Case #56-2021 Filed 1/6/22

MONITORING INQUIRY

I. Company Description

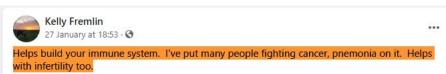
Immunotec (or the "Company") is a direct selling company that sells nutritional products and supplements to consumers.

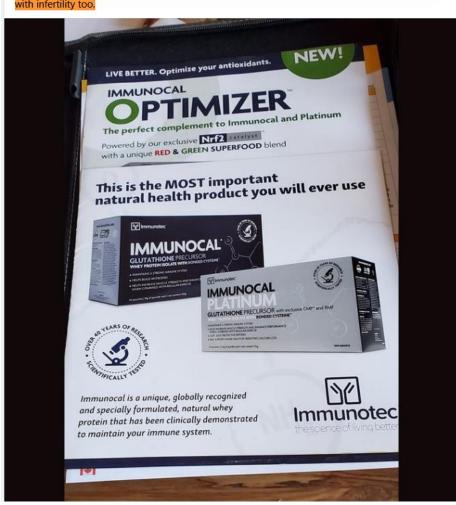
II. Basis of Inquiry

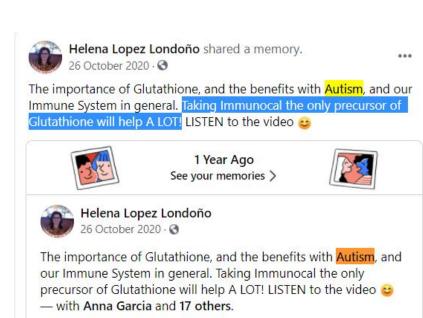
The Direct Selling Self-Regulatory Council ("DSSRC") is a national advertising self-regulation program administered by BBB National Programs. This inquiry was commenced by DSSRC pursuant to its ongoing independent monitoring of advertising and marketing claims in the direct selling industry.

A. Product Claims

DSSRC identified certain claims that the Company's products may cure or treat certain health-related conditions. The representative claims that formed the basis of this inquiry were disseminated by salesforce members via three Facebook posts that claimed that the Company's products can address health-related conditions including cancer, pneumonia, infertility, autism, and viruses. DSSRC informed the Company of its concern that such claims may be reasonably interpreted as conveying an unsupported message that Immunotec's products are effective in addressing serious health-related conditions.









B. Earnings Claims

This inquiry also included earnings claims disseminated by the Company on its website including via testimonials communicated by salesforce members of the Company. Below are the representative claims that formed the basis of this inquiry:

- "Immunotec's Compensation Plan rewards you with immediate and long-term income..."
- ".... it is amazing to be able to help others recover their finances and support their own families."
- "... Nothing comes close to Immunocal. I make more money nowadays than I used to."

• "We worked hard for years and, in the last 6 we've been able to enjoy freedom, complete ownership of our life, our time, and our finances. We can do what we want when we want. When you join Immunotec, there are no limits. You can decide to work sometimes, part time or full time."

DSSRC informed the Company of its concern that such claims may communicate the message that the typical Immunotec salesforce member can earn significant, long-term, career level, and/or replacement income through the Company's business opportunity.

III. Company's Position

The Company was responsive to DSSRC's inquiry and took several prompt steps to address the claims at issue as discussed below.

A. Product Claims

The Company contacted each of the individuals that disseminated the three Facebook posts at issue in this inquiry. The Company was successful in its efforts to have two of the three posts removed.

One remaining Facebook post (referencing the effectiveness of a product to treat cancer, pneumonia, and infertility) remains active. The Company informed DSSRC that the remaining post was disseminated by a consumer of Immunotec's products and not a salesforce member. While acknowledging that the health-related claims were untruthful and could not be supported, the Company further stated that it had tried to contact the consumer but the consumer was not responsive to the Company's efforts. The Company indicated that it will continue its attempts to contact this customer in order to have the post at issue removed.

B. Earnings Claims

With respect to the earnings claims that DSSRC identified on the Company's website, Immunotec informed DSSRC that it edited all such claims. Specifically, the Company removed language in the salesforce testimonials which stated that ".... it is amazing to be able to help others recover their finances and support their own families," and "I make more money nowadays than I used to." Another testimonial was edited to remove reference to "freedom" and the sentence stating, "We can do what we want when we want... there are no limits."

IV. Analysis and Recommendation

A. Product Claims

DSSRC acknowledged Immunotec's prompt actions to effectuate removal of two Facebook posts claiming that Immunotec products are effective in treating certain serious health-related conditions. DSSRC determined the removal of such claims to be necessary and appropriate.

With respect to the one remaining Facebook post that was disseminated by a consumer of Immunotec's products, and which referenced the efficacy of the Company's products to treat cancer, pneumonia, and infertility, DSSRC acknowledged the Company's efforts to have the post removed and the Company's commitment to continue to try to contact the customer who disseminated the post at issue.

When a direct selling company is made aware of an improper product claim that was made by any individual and the company recognizes the claim to be untrue and unsupported, DSSRC acknowledges that the direct selling company may not be able to require the individual to remove such claim. In that instance, DSSRC nonetheless recommends that the direct selling company make a bona fide good faith effort to have the improper claim removed, including by attempting to contact the individual in writing. If the social media platform where the subject post was made provides a mechanism for reporting trademark or copyright violations, DSSRC recommends that the direct selling company promptly utilize such mechanism and seek removal of the subject claims and posts. If efforts to utilize a mechanism for reporting trademark or copyright violations are unsuccessful or if the subject claim occurred on a website or platform without a reporting mechanism, DSSRC recommends that in addition to attempting to contact the individual as described above, the Company contact the website or platform in writing and request removal of the subject claim or post.

Here, DSSRC acknowledges that the Company made a bona fide, good faith attempt to contact the individual responsible for the dissemination of the post and request that the post be removed. In addition, DSSRC recommends the Company utilize Facebook's reporting mechanism for intellectual property violations, and contact the platform in writing, advising that the claim is false and inaccurate, and request removal of the post.

B. Earnings Claims

DSSRC appreciated Immunotec's good faith actions to modify the earnings claims that were identified on the Company website and determined the modification of such claims to be necessary and appropriate.

DSSRC remained concerned with other claims that remain on the Company's website that "Immunotec's Compensation Plan rewards you with immediate and long-term income..." and "You can decide to work sometimes, part time or full time." DSSRC determined that such claims could be reasonably interpreted by consumers as meaning that they can expect to earn significant or substantial income from the Immunotec business opportunity. In the absence of substantiation that such results could be expected by the typical salesforce member of the Company, DSSRC recommended that these and any similar earnings claims, be discountinued.

V. Conclusion

DSSRC acknowledged the Company's success in effectuating removal of two Facebook posts making health-related claims and determined the removal of such claims to be necessary and appropriate.

With respect to the one remaining Facebook post that included unsupported health-related claims, DSSRC acknowledged the Company's bona fide good faith effort to have such post removed and the Company's commitment to continue to try to contact the customer in order to remove the post at issue. In addition, DSSRC recommends the Company utilize Facebook's reporting mechanism for intellectual property violations and contact the platform in writing, advising that the claim is false and inaccurate, and request removal of the post.

DSSRC also acknowledged Immunotec's good faith actions to modify certain earnings claims on the Company website and determined the modification of such claims to be necessary and appropriate.

With respect to the claims that remain on the Company's website that "Immunotec's Compensation Plan rewards you with immediate and long-term income..." and "You can decide to work sometimes, part time or full time." DSSRC determined that such claims could be reasonably interpreted by consumers as meaning that they can expect to earn significant or substantial income from the Immunotec business opportunity. In the absence of evidence that such results could be generally expected by typical Immunotec salesforce members, DSSRC recommended that these and any similar earnings claims, be discontinued.

V. Company Statement

Regarding the post remaining on Facebook that was disseminated by a consumer of Immunotec's products and which referenced the efficacy of the Company's products to treat cancer, pneumonia and infertility. Immunotec's compliance team tried for months to reached out to the consumer's enroller, several emails and FB messages were sent. Finally, after months of trying to have the post removed on December 28th, 2021, the post was finally removed.

With respect to the claims that remain on the Company's website. We continue to work with all internal departments to ensure that we are not making income claims and that any mention made in Immunotec marketing materials regarding compensation reference Immunotec's IDS, also found on our website in the USA and CANADA as the DSA and DSA of Canada suggest. In order to complied with DSSRC suggestions the two lines mentioned in the report above have been removed from Immunotec's website.

Immunotec reaffirmed its commitment to industry self-regulation and pledged to continue to actively monitor and remove non-compliant claims.

(Case #56-2021 HJS, closed on 1/6/22) © 2022 BBB National Programs