

FTC Announces Settlement with Makers of “Genetically Customized” Dietary Supplements and Skin Serums

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The FTC earlier this week [announced](#) settlements with two companies that sold “genetically customized” dietary supplements and skin serums through multilevel marketing. According to the FTC, distributors sent potential customers free at-home genetic tests, and based on testing results, the companies recommended specific products from their offerings. The companies’ marketing materials – according to the FTC – included claims and testimonials conveying that the products could mitigate individual “genetic disadvantages” and treat diseases, including diabetes, heart disease, arthritis, and insomnia. The FTC further alleged that the companies failed to protect customers’ personal information, including genetic information, Social Security numbers, and payment information.

The resulting settlement orders require the companies to implement new security programs and possess what the FTC considers to be adequate substantiation for any future claims about genetic disadvantages and treating or preventing diseases. While FTC orders issued over the past several years have required FDA-approval for future disease claims, the orders against the two companies require “at least two adequate and well-controlled human clinical trials.” The FDA-approval standard is currently at issue in litigation between POM Wonderful, LLC and the FTC.