



[BILLING CODE: 6750-01S]

**FEDERAL TRADE COMMISSION**

[File No. 122 3016]

**L'Oréal USA, Inc.; Analysis of Proposed Consent Order to Aid Public Comment**

**AGENCY:** Federal Trade Commission.

**ACTION:** Proposed Consent Agreement.

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**SUMMARY:** The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices. The attached Analysis of Proposed Consent Order to Aid Public Comment describes both the allegations in the draft complaint and the terms of the consent order -- embodied in the consent agreement -- that would settle these allegations.

**DATES:** Comments must be received on or before July 30, 2014.

**ADDRESSES:** Interested parties may file a comment at

<https://ftcpublic.commentworks.com/ftc/l'orealconsent> online or on paper, by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. Write "L'Oréal USA, Inc. - Consent Agreement; File No. 122 3016" on your comment and file your comment online at <https://ftcpublic.commentworks.com/ftc/l'orealconsent> by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue, NW, Suite CC-5610 (Annex D), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street, SW, 5th Floor, Suite 5610 (Annex D), Washington, DC 20024.

**FOR FURTHER INFORMATION CONTACT:** Elizabeth Nach, Bureau of Consumer Protection, (202-326-2611), 600 Pennsylvania Avenue, NW, Washington, DC 20580.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) of the Federal Trade Commission Act, 15 U.S.C. 46(f), and FTC Rule 2.34, 16 CFR § 2.34, notice is hereby given that the above-captioned consent agreement containing consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of thirty (30) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for June 30, 2014), on the World Wide Web, at <http://www.ftc.gov/os/actions.shtm>.

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before July 30, 2014. Write “L’Oréal USA, Inc. - Consent Agreement; File No. 122 3016” on your comment. Your comment - including your name and your state - will be placed on the public record of this proceeding, including, to the extent practicable, on the public Commission Website, at <http://www.ftc.gov/os/publiccomments.shtm>. As a matter of discretion, the Commission tries to remove individuals’ home contact information from comments before placing them on the Commission Website.

Because your comment will be made public, you are solely responsible for making sure that your comment does not include any sensitive personal information, like anyone’s Social Security number, date of birth, driver’s license number or other state identification number or foreign country equivalent, passport number, financial account number, or credit or debit card number. You are also solely responsible for making sure that your comment does not include any sensitive health information, like medical records or other individually identifiable health information. In addition, do not include any “[t]rade secret or any commercial or financial

information which . . . is privileged or confidential,” as discussed in Section 6(f) of the FTC Act, 15 U.S.C. § 46(f), and FTC Rule 4.10(a)(2), 16 CFR § 4.10(a)(2). In particular, do not include competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

If you want the Commission to give your comment confidential treatment, you must file it in paper form, with a request for confidential treatment, and you have to follow the procedure explained in FTC Rule 4.9(c), 16 CFR § 4.9(c).<sup>1</sup> Your comment will be kept confidential only if the FTC General Counsel, in his or her sole discretion, grants your request in accordance with the law and the public interest.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To make sure that the Commission considers your online comment, you must file it at <https://ftcpublic.commentworks.com/ftc/l'orealconsent> by following the instructions on the web-based form. If this Notice appears at <http://www.regulations.gov/#!home>, you also may file a comment through that website.

If you file your comment on paper, write “L’Oréal USA, Inc. - Consent Agreement; File No. 122 3016” on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue, NW, Suite CC-5610 (Annex D), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street, SW, 5th Floor, Suite 5610 (Annex D), Washington, DC 20024. If possible, submit your paper comment to the Commission by courier or overnight service.

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<sup>1</sup> In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. *See* FTC Rule 4.9(c), 16 CFR § 4.9(c).

Visit the Commission Website at <http://www.ftc.gov> to read this Notice and the news release describing it. The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before July 30, 2014. You can find more information, including routine uses permitted by the Privacy Act, in the Commission's privacy policy, at <http://www.ftc.gov/ftc/privacy.htm>.

### **Analysis of Proposed Consent Order to Aid Public Comment**

The Federal Trade Commission ("FTC" or "Commission") has accepted, subject to final approval, an agreement containing a consent order from L'Oréal USA, Inc. ("L'Oréal").

The proposed consent order ("proposed order") has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

This matter involves L'Oréal's advertising for its Lancôme Génifique ("Génifique") and L'Oréal Paris Youth Code ("Youth Code") facial skincare product lines. The Commission's complaint alleges that L'Oréal advertised that Génifique and Youth Code provided anti-aging benefits by targeting users' genes, and that Génifique provided results to particular percentages of users.

The complaint alleges that the company violated Sections 5(a) and 12 of the Federal Trade Commission Act by making unsubstantiated representations that Génifique boosts the activity of genes, thereby resulting in visibly younger skin in seven days, and that Youth Code targets specific genes to make skin look younger, act younger, and respond five times faster to

aggressors such as stress, fatigue, and aging. The complaint also alleges that L'Oréal violated Sections 5(a) and 12 by making false representations that scientific studies prove these claims.

The complaint further alleges that L'Oréal violated Sections 5(a) and 12 by falsely representing that Génifique is clinically proven to produce specific results for particular percentages of users, including perfectly luminous skin in 85% of women, astonishingly even skin in 82% of women, and cushiony soft skin in 91% of women, in seven days. These purported results were presented in a bar graph under the words “clinically proven.”

The proposed order includes injunctive relief that prohibits these alleged violations and fences in similar and related violations. For purposes of the order, “Covered Product” means any Lancôme brand or L'Oréal Paris brand cosmetic, excluding hair, nail, fragrance, mascara, and sunscreen products.

**Part I** of the proposed order prohibits L'Oréal from making claims that any Lancôme brand or L'Oréal Paris brand facial skincare product targets or boosts the activity of genes, thereby resulting in skin that looks or acts younger, or skin that responds five times faster to aggressors, without competent and reliable scientific evidence for these claims. “Competent and reliable scientific evidence” is defined to mean “evidence, consisting of tests, analyses, research, or studies that have been conducted and evaluated in an objective manner by qualified persons and are generally accepted in the profession to yield accurate and reliable results.”

**Part II** of the proposed order is a fencing-in provision that prohibits L'Oréal from representing that any Covered Product affects genes. The fencing-in provision provides broader product and claims coverage than Part I of the proposed order. It extends to products other than “facial skincare products,” such as lip products and makeup, and covers any gene claims.

**Part III** of the proposed order prohibits L'Oréal from misrepresenting the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research in

connection with the manufacturing, labeling, advertising, promotion, offering for sale, and sale or distribution of any Covered Product.

**Part IV** contains recordkeeping requirements for advertisements and substantiation relevant to representations covered by Parts I through III of the order.

**Parts V through VII** of the proposed order require L'Oréal to: deliver a copy of the order to principals, officers, and employees having responsibilities with respect to the subject matter of the order; notify the Commission of changes in corporate structure that might affect compliance obligations under the order; and file compliance reports with the Commission.

**Part VIII** provides that the order will terminate after twenty (20) years, with certain exceptions.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the complaint or proposed order, or to modify the proposed order's terms in any way.

By direction of the Commission.

Donald S. Clark,  
Secretary.

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