

Orion Research, LLC

July 28, 2017

Distributor Craig Morehead Uses Offer of “Freedom” to Promote the Herbalife Business Opportunity, Violating FTC Order

Herbalife President’s Team member Craig Morehead, in a July 28, 2017 Facebook posting that pictured a swimming pool, asked people to contact him if they were interested in some “freedom” and used the hashtags “#ownboss” and “#workfromhomeanywhere” to promote the posting.



By flagging the business opportunity in this way, Morehead violates a July 15, 2016, Federal Trade Commission Consent Order, which permanently restrained the company and its agents from representing that participation in the Herbalife business opportunity would allow participants to: “quit your job,” “be set for life,” “earn millions of dollars,”

“make more money than they ever have imagined or thought possible,” “realize unlimited income,” or any substantially similar Representations. (Subsection III.A)

On September 6, 2017, Morehead reposted to Facebook a message by another Herbalife distributor that lists reasons people fail, including not being “hungry enough” and not being “coachable.”



Such statements violate the Federal Trade Commission Consent Order that permanently restrains Herbalife and its agents from stating: “The reasons participants do not earn significant income, including but not limited to representations that participants fail to devote substantial or sufficient effort.” (Subsection II.C)

In a Complaint for Permanent Injunction and Other Equitable Relief, which was made public on the same day as the Consent Order, July 15, 2016, the FTC stated that the problem with the Herbalife business is: “Defendants’ program does not offer participants a viable retail-based business opportunity.”