

Orion Research, LLC

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President's Team Member Bill Garvey Says Paying to Attend Training Events is the Way to Grow an Herbalife Business, Yet Herbalife Tells New Members No Paid Training is Necessary



<https://vimeo.com/227263453> or

Growth mindset video.mp4

In a video posted to Facebook in June 2017, by Herbalife Ltd. President's Team member Bill Garvey tells Minnesota recruits about an upcoming Success Training Seminar (STS) at which the guest speaker will be Herbalife President's Team member Mette Hyldagaard. The unidentified distributor in the video says that after he and his group attended a previous training by Hyldagaard, their volume increased exponentially.

The admission price of an Herbalife STS is around \$30, and distributors are encouraged to buy multiple tickets to bring potential recruits to these events.

The Federal Trade Commission Consent Order requires Herbalife to disclose all costs upfront, including costs to attend training.

But, not only does Herbalife fail to disclose the cost of attending training events, the company states that such costs do not exist and may not be imposed. According to Herbalife's contract with its distributors: "To become an Herbalife distributor, succeed in the business, advance in the Sales and Marketing Plan, or receive upline training or

support, you are NOT required to buy any amount of materials, products, or services, either those produced by Herbalife or by a party other than Herbalife, or to attend any seminars, meetings, or events.”

In the accompanying video posted to Facebook, the distributor tells Minnesota recruits that attendance at the upcoming STS will lead to a substantial increase in group volume:

“Really, we’re always looking for that momentum boost, that the thing that is going to get us over, get us clear.”

“There are a couple of people that got really clear when Mette came in.”

“The girl, she caught fire.”

“Something got deep down inside. She realized: I’m not doing the business the way I should.”

“This girl went from doing like 2500 volume points every single month, that February she had over 7500 volume points, next month 8900 volume points ...”

“You never know what training it’s going to shift the mind of someone on your team.”

“You want to put your people in this training, you want to position them to succeed.”

The implication is clear: Herbalife distributors must attend events, such as the upcoming STS with Hyldagaard, if they want to succeed in the Herbalife business.