



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

FTC Sends Checks to Nearly 350,000 Victims of Herbalife's Multi-Level Marketing Scheme

Business Blog provides lessons from the FTC's Herbalife and Vemma cases

FOR RELEASE

January 10, 2017

TAGS: [Finance](#) | [Franchises, Business Opportunities, and Investments](#) | [Bureau of Consumer Protection](#) | [Consumer Protection](#)

The Federal Trade Commission is mailing checks to nearly 350,000 people who lost money running Herbalife businesses. The checks are the result of a July 2016 settlement with the FTC that required Herbalife to pay \$200 million and fundamentally restructure its business. This represents one of the largest redress distributions the agency has made in any consumer protection action to date.

"We are pleased to announce that hundreds of thousands of hard-working consumers victimized by Herbalife's deceptive earnings claims will receive money back," said Jessica Rich, Director of the agency's Bureau of Consumer Protection. "Along with changes the company will make to its business structure, this is a win for consumers."

The FTC used Herbalife's records to determine who would receive a refund and the amount of each check. Generally, the FTC is providing partial refunds to people who ran an Herbalife business in the United States between 2009 and 2015, and who paid at least \$1,000 to Herbalife but got little or nothing back from the company. Most checks are between \$100 and \$500; the largest checks exceed \$9,000.

Also today, the FTC released *Redress checks and compliance checks: Lessons from the FTC's Herbalife and Vemma cases*, which, for multi-level marketing companies, provides guidance drawn from the FTC's cases against [Herbalife](#) and [Vemma](#), including four key principles on compliance.

Recipients should deposit or cash checks within 60 days. The FTC never requires people to pay money or provide account information to cash refund checks. If you have questions about the case, contact the FTC's refund administrator, Analytics Consulting LLC, at 844-322-8146.

To learn more, read about the [Herbalife redress program](#). For tips on what to look for when joining a multi-level marketing company, read [Money back for 350,000 Herbalife distributors](#).

HERBALIFE REFUND FACTS

\$200 MILLION
IN TOTAL REFUNDS



NEARLY 350,000
PEOPLE WILL BE
MAILED CHECKS



MOST CHECKS ARE
\$100 - \$500

Go to ftc.gov/herbalife
for more information

The Federal Trade Commission works to promote competition, and [protect and educate consumers](#). You can [learn more about consumer topics](#) and file a [consumer complaint online](#) or by calling 1-877-FTC-HELP (382-4357). Like the FTC on [Facebook](#), follow us on [Twitter](#), read our [blogs](#) and [subscribe to press releases](#) for the latest FTC news and resources.

PRESS RELEASE REFERENCE:

[Herbalife Will Restructure Its Multi-level Marketing Operations and Pay \\$200 Million For Consumer Redress to Settle FTC Charges](#)

Contact Information

MEDIA CONTACT:

Frank Dorman

Office of Public Affairs

202-326-2674



ftc.gov



Herbalife Settlement FAQs

Has the Herbalife refund process started?

Yes. The refund administrator began mailing checks on January 10, 2017.

Who is getting a check?

We determined who would get a check based on a review of Herbalife's records and focused on those who appear to have been harmed the most. We looked at things like which years you were a distributor, how much money you paid Herbalife, how much you got back from the company, and whether we were able to locate a current or valid address for you. Generally, if we had a valid address, we mailed checks to individuals who ran an Herbalife business in the United States between 2009 and 2015, and who paid at least \$1,000 to Herbalife but got little or nothing back from the company.

How much money will I get back?

The check is a partial refund of the money you appear to have lost while trying to run an Herbalife business. The amount of each check will vary depending on the amount of money you paid to—and received from—Herbalife. Refunds do not account for money you paid to anyone other than Herbalife in running your business, and the refund will not be the full amount of what we estimate you lost. Most checks are between \$100 and \$500; the largest checks are more than \$9,000.

When should I receive my check?

You should receive your check within a week to ten days of January 10, 2017, the date the checks were mailed.

How long do I have to cash or deposit the check?

You should cash or deposit your check by March 10, 2017.

I lost money as an Herbalife distributor. Why didn't I get a check?

There are a number of reasons why you may not have received a check even though you lost money as an Herbalife distributor. For example, if your losses occurred primarily before 2009 or after 2015, that may be the reason we did not send you a check. Or, you may not have received a check because the FTC was unable to locate your current address.

If you were an Herbalife distributor between 2009 and 2015, paid at least \$1,000 to Herbalife but got little or nothing back from the company, and you think you should have gotten a check, please call the refund administrator at 844-322-8146.

Do I need to pay anything to get a refund?

Absolutely not. The FTC never asks you to pay to file a claim or to get a refund. Don't pay anyone who promises you an FTC refund in exchange for a fee. If you see that, please tell the FTC at 1-877-FTC-HELP or at ftc.gov/complaint.

Why didn't I get all of my money back?

Your check is your share of the money the FTC collected from Herbalife. If you cash or deposit this check and additional money becomes available, you may receive an additional check.

Are there other ways for me to get back some of the money I lost with Herbalife?

You are entitled to a full refund from Herbalife for any unopened product that you bought as an Herbalife distributor within the past twelve months. To receive a product refund from Herbalife, please call 866-866-4744.

Where can I get more information?

For the latest information about refunds, you can:

- Bookmark ftc.gov/herbalife and check back regularly.
- Sign up for [e-mail notifications](#).
- Call the FTC's refund administrator at 1-844-322-8146.





FEDERAL TRADE COMMISSION
CONSUMER INFORMATION
consumer.ftc.gov

Money back for 350,000 Herbalife distributors

January 10, 2017

by Lois Greisman

Associate Director, Division of Marketing Practices, FTC

Last July, we told you about the FTC's [settlement with Herbalife](#), which made the multilevel marketing company not only restructure how it does business, but also pay \$200 million to people who lost money trying to run an Herbalife business. Today, we mailed checks to about 350,000 of them.

Are you thinking about a multilevel marketing (MLM) business opportunity? Every year, many people join MLM plans – and many also leave. Before joining any MLM company, do some research. Your time and money are too valuable not to. Here are a few things to consider:

- Can you realistically see yourself selling to your network of friends and family? Selling is work, and not everyone is good at it.
- What about the product? Would people you know buy it repeatedly and consistently? Or would they only buy it once as a favor? Can people buy comparable products for less?
- What will it cost you to run this business? You might get pressure to buy a lot of product – in fact, people have lost a lot of money buying more product than they can sell. Also consider things like gas, shipping and packaging costs, sales aids, trainings, and your time. Does that math add up for you? Lots of people leave multilevel marketing programs without making any money, and many lose money.

If the person who recruited you into the business tells you not to worry about selling because you can make money by recruiting others – walk away. In a legitimate MLM program, you need to be able to make money by selling the product, not by recruiting others to join and buy the product.

So, what about the money back from the Herbalife settlement? Well, the settlement covered people who worked with Herbalife between 2009 and 2015. If you were an Herbalife distributor who paid at least \$1,000 to Herbalife during those years, but got little or nothing back from the company – and we were able to locate a valid address for you – you should be seeing a check. The check is a partial refund of the money we estimate you lost while trying to run an Herbalife business.

If you get a check refunding some of the money you lost in Herbalife, cash it. If you have questions about why you didn't get a check, learn more on our [refunds page](#). Thinking about

whether a business opportunity is right for you? The FTC has [resources for evaluating business opportunities, including MLMs.](#)

Blog Topics: [Jobs & Making Money](#)

To: Ammerman, Janet[jammerman1@ftc.gov]
Cc: Smith, Douglas[dsmith2@ftc.gov]
From: Givens, David
Sent: Wed 10/19/2016 1:01:09 PM
Importance: Normal
Subject: (b)(5)
MAIL_RECEIVED: Wed 10/19/2016 1:01:00 PM

Hi Janet,

(b)(5)

-David

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David Givens

Economist

Federal Trade Commission

Bureau of Economics

Office: 202-326-3397

Mobile: (b)(6)

dgivens@ftc.gov
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Location: CC-9103
Importance: Normal
Subject: Accepted: Herbalife Redress
Start Date/Time: Tue 11/1/2016 1:30:00 PM
End Date/Time: Tue 11/1/2016 6:00:00 PM
Recurrence Pattern: None

To: Ammerman, Janet[jammerman1@ftc.gov]; Todaro, Christine[ctodaro@ftc.gov]; Smith, Douglas[dsmith2@ftc.gov]
Cc: Hanks, Daniel[dhanks@ftc.gov]
From: Givens, David
Sent: Mon 10/31/2016 12:26:49 PM
Importance: Normal
Subject: RE: Redress meeting tomorrow?
MAIL_RECEIVED: Mon 10/31/2016 12:26:00 PM

Works for me!

From: Ammerman, Janet
Sent: Monday, October 31, 2016 12:17 PM
To: Todaro, Christine; Givens, David; Smith, Douglas
Cc: Hanks, Daniel
Subject: Redress meeting tomorrow?

I would like to meet (again) to discuss our redress criteria. Is tomorrow good?

To: Hanks, Daniel[dhanks@ftc.gov]
From: Givens, David
Sent: Mon 2/13/2017 3:33:03 PM
Importance: Normal
Subject: redress seekers
MAIL_RECEIVED: Mon 2/13/2017 3:33:00 PM

Hi Dan,

I've been working on looking up records for the redress seekers you sent me, and I have a proposal I want to run by you. Give me a call when you have a moment. I'm teleworking: try me at (b)(6)

-d

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David Givens, PhD

Economist

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