UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

FEDERAL TRADE COMMISSION, Plaintiff, v. TEAMI, LLC, a limited liability company, ADI HALEVY, a/k/a Adi Arezzini, individually and as an officer of TEAMI, LLC, and YOGEV MALUL, individually and as an officer of TEAMI, LLC, Defendants.	**Case No. 8:20-cv-518** **COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF**

Plaintiff, the Federal Trade Commission ("FTC"), for its Complaint alleges:

1. The FTC brings this action under Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), to obtain permanent injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants' acts or practices in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a), 52, in connection with the labeling, advertising, marketing, distribution, and sale of numerous Teami brand tea products that purportedly provide various health benefits and Teami brand tea-based skincare products.

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345.

3. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2), (c)(1), (c)(2), and (d), and 15 U.S.C. § 53(b).

PLAINTIFF

4. The FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces Section 12 of the FTC Act, 15 U.S.C. § 52, which prohibits false advertisements for food, drugs, devices, services, or cosmetics in or affecting commerce.

5. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies. 15 U.S.C. § 53(b).

DEFENDANTS

6. Defendant Teami, LLC ("Teami") is a Florida limited liability company with its principal place of business at 10801 Endeavor Way, Suite A, Seminole, Florida 33777. Teami transacts or has transacted business in this District and throughout the United States.

7. At all times material to this Complaint, acting alone or in concert with others, Teami has advertised, marketed, distributed, or sold Teami teas and skincare products to consumers throughout the United States.

8. Defendant Adi Halevy ("Halevy"), also known as Adi Arezzini, is the Chief Executive Officer, a co-founder, and a fifty percent owner of Teami. At all times material to this Complaint, acting alone or in concert with others, she has formulated, directed, controlled, had

the authority to control, or participated in the acts and practices of Teami, including the acts and practices set forth in this Complaint. She is responsible for Teami product branding, copywriting, and the approval of each product page on Defendants' website, www.teamiblends.com (the "Teami website"). Defendant Halevy has appeared in Teami product advertising. She also personally evaluates the ingredients that compose each of Teami's products to determine what benefits each ingredient has alone or in conjunction with other ingredients, reviews literature related to each ingredient, and creates samples of each product, which she tests herself for taste and efficacy. In addition, Defendant Halevy is responsible for the development and approval of Teami's social media policy, disseminating the social media policy throughout the company, and providing instructions to staff on its implementation. Defendant Halevy resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

9. Defendant Yogev Malul ("Malul") is the Creative Director, a co-founder, and a fifty percent owner of Teami. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of Teami, including the acts and practices set forth in this Complaint. He is responsible for the development and selection of each product Teami offers, as well as the Teami website and graphic design of each product page. He also personally evaluates the ingredients that compose each of Teami's products to determine what benefits each ingredient has alone or in conjunction with other ingredients, reviews literature related to each ingredient, and creates samples of each product, which he tests himself for taste and efficacy. Defendant

Malul resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

COMMERCE

10. At all times material to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' BUSINESS ACTIVITIES

11. Since 2014, Defendants have advertised, offered for sale, sold, and distributed Teami tea products. These include Teami Profit tea, Teami Alive tea, Teami Relax tea, Teami Skinny tea, and Teami Colon tea. Teami Skinny tea and Teami Colon tea are sold together in a bundle called the Teami 30 Day Detox Pack. Defendants have also advertised, offered for sale, sold, and distributed Teami skincare products including the Teami Green Tea Blend Detox Mask and Teami Soothe Tea Infused Facial Oil. In addition to advertising Teami products on the Teami website, Defendants have paid celebrities, including Kylie Jenner and Demi Lovato, and other influencers to promote them on Instagram and other social media.

12. Teami Profit tea contains green tea, peppermint leaf, goji berries, red dates, roselle, nettle leaf, and lingzhi ganoderma. Teami Alive tea contains green tea, lemongrass, honey, and ginger. Teami Relax tea contains peppermint, yarrow, lemongrass, lavender flower, chamomile, orange peel, and valerian root. Teami Skinny tea contains oolong tea, yerba mate, lotus leaf, lime leaf extract, ginger root, rhubarb root, and jiao gulam. Teami Colon tea contains sienna leaf and root, hawthorn berry extract, lotus leaf, lime leaf and extract, psyllium husk seed, phaseolus calcaratus seed, rhubarb root, poria cocos stem bark, and valerian root.

13. Defendants sell their Teami teas and skincare products on the Teami website. On the website, packages of Teami Profit tea, which contain thirteen servings, cost $29.99; packages of Teami Alive tea, which contain fifteen tea bags, cost $19.99; packages of Teami Relax, which contain thirteen servings, cost $29.99; Teami 30 Day Detox Packs cost $49.99; jars of Teami Green Tea Blend Detox Mask cost $29.99; and bottles of Teami Soothe Tea Infused Facial Oil cost $39.99. Defendants sell most of their Teami teas and skincare products on www.amazon.com. Selected Teami products are also available at retailers nationwide, including Vitamin World and Ulta Beauty.

14. Defendants disseminate or cause to be disseminated advertisements for Teami Profit tea, Teami Alive tea, Teami Relax tea, and the Teami 30 Day Detox Pack. Advertisements for Teami products include, but are not necessarily limited to, the attached Exhibits 1 through 14. These materials contain the following statements and depictions, among others:

A. Teami Profit Tea

1. Excerpts from the Teami Profit product page of the Teami website; captured on November 6, 2018

Teami Profit
DESCRIPTION

Your body is your temple and deserves to profit from all that nature has to offer. Natural tea allows the body to rejuvenate from the inside out, gaining a strong internal foundation. For centuries, tea has been used in alternative medicine to treat everything from cancer to constipation. The human body needs to have all the necessary vitamins and minerals in order to protect itself from infection and illness.

The ingredients in Teami Profit have been shown to:
….
- Fights [sic] against cancerous cells

(Exhibit 1, portion of Teami Profit product page on the Teami website).

2. Excerpts from the 30~7 Best Detox product page of the Teami website; captured on November 6, 2018

The ingredients in Teami Profit have been shown to:

….

- Helps [sic] unclog arteries …

(Exhibit 2, portion of Teami 30~7 Best Detox Plan page on the Teami website).

B. Teami Alive Tea

Excerpts from the Teami Alive product page of the Teami website; captured on November 6, 2018

Teami Alive
DESCRIPTION

Have you ever found yourself feeling "dead", with zero energy to get motivated in your day to day life? Do you get sick on and off, not finding a permanent solution to your physical issues?

....

Teami Alive was developed with 3 main ingredients to directly target your bodily issues, and solve them! The unique and delicious combination of Ginger Honey - Lemongrass - Green Tea can help with:

The ingredients in Teami Alive have been shown to:

….

- Decreasing [sic] Migraines

(Exhibit 3, portion of Teami Alive product page on the Teami website).

C. Teami Relax Tea

Excerpts from the Teami Relax page of the Teami website; captured on November 6, 2018

Teami Relax
DESCRIPTION

….

Teami Relax contains potassium, calcium and vitamin B which strengthen the immune system, prevent colds, flus and a variety of other illnesses.

….

The ingredients in Teami Relax have been shown to:

….

- Antibacterial effects can help prevent and treat colds

(Exhibit 4, portion of Teami Relax product page on the Teami website).

D. Teami 30 Day Detox Pack

1. Excerpt from the Teami Detox 30 Day Pack product page of the Teami website; captured on November 6, 2018

Teami Detox 30 Days Pack
DESCRIPTION

If you are looking for an amazing detox tea that you can incorporate into your daily routine, this is the one for you! The Teami 30 Day Detox Tea will help you feel better from the inside out! Getting rid of the toxins that your body is holding on to will allow it to function properly, burn the correct amount of calories and have natural energy levels every day!

Our Teami 30 Day Detox Pack includes:

- 30 day supply of our Skinny loose-leaf tea
- 15 colon cleanse tea bags

The ingredients in our 30 Day Detox Program have been show [sic] to:

- Boost your metabolism
- Start burning stored fat

(Exhibit 5, portion of Teami Detox 30 Day Pack page on the Teami website).

2. Excerpts from video of Defendant Halevy appearing on the Detox 30 Day Pack product page of the Teami website; captured on December 13, 2018

Our 30 Day Detox program is made up of two teas, our Teami Skinny which you drink every single day before breakfast, best recommended time, and our Teami Colon which you drink every other night before bed.

The reason why people need to detox is because of the insane amount of processed foods that you're either eating right now or have eaten in the past and believe me I've had a lot of pizza in my life so I needed to detox. What it does is it puts in nutrients and vitamins in the body.

With the Teami Skinny that you drink every single day and then at night time with the Teami Colon, you're actually getting rid of the toxins that are holding your body back from being able to digest food properly, from having low metabolism, from having really, really sluggish energy throughout the day and by doing this program, all you have to do is drink tea and you'll start seeing results right away.

Our 30 Day Detox comes with this little cute calendar. On the inside it actually gives you tips. Over here you actually have a little calendar that reminds you in the morning to drink your Teami Skinny and in the night to drink your Teami Colon. And then we definitely want to make sure that you take before and after pictures because we love to share your successes and to share your Teami transformations.

Here are some frequently asked questions about our 30 Day Detox. How much weight will I lose when I'm doing the 30 day detox? Great question. The first thing to know is that everyone's different. Everybody has a different amount of weight that they need to lose. So not everybody is the same, but the usual average is five to twenty pounds every time you do the detox.

(Exhibit 6).

3. Excerpt from the Weight Loss page of the Teami website; captured on November 6, 2018

Teami Tea Detox for Weight Loss

All what [sic] You Need to Know about Detox Tea

If you [sic] goal is to lose weight quickly, without using any chemicals, 100% natural and safe diet, Reduce bloating, burning stored fat and cleaning your body from inside outside, you are definitely at the right place.
…
Grean [sic] Tea … has been shown to increase fat burning and boost the metabolic rate.

teami
DETOX
30 DAYS PACK
[pictures of Teami Skinny and Teami Colon and their Nutrition Facts panels]
[pull down menu and button to add one or more packs to cart for $49.99 each]

…

What are the detox tea benefits ?

Using detox tea for weight loss makes a lot of sense, especially in a world where so many diets relies [sic] on weight loss unhealthy diet pills and diet shakes.

There are lots of benefits using a detox Teas [sic] as your method for losing weight. …

We have selected some of the benefits you can expect to receive when you use detox tea as part of your weight loss strategy

- Boost your metabolism
- Start burning stored fat
- Suppress appetite and cravings
- Naturally raise energy levels

…

How to lose weight with detox tea ?

Did also You tried [sic] different weight loss methods, but without any result? Moving forward from one diet to another without reaching your goals might be Frustrating!

When our body is full of toxins, it is difficult to losing [sic] weight. While detoxifying your body get rid of those toxins and results [sic] of weight loss are unbelievable.

… Detox teas contain specific blends of natural ingredients which flush these toxins and chemicals we are consuming out of our vital organs. Those herbs are extremely effective for reducing …, body fat, … and help our body losing [sic] weight.

…

How to Detox your Body with Tea ? How to Use Daily Detox Tea for Weight Loss ?

For best slimming results we are highly recommending using our 30 Days detox Pack.

The Teami Detox diet plan includes:

- 30 day supply of our Skinny loose-leaf tea
- 15 colon cleanse tea bags

TeaMi [sic] Detox will completely change how your body looks and feels in just 30 days!

(Exhibit 7, portion of Weight Loss page on the Teami website).

4. Excerpt from the Colon Cleanse page of the Teami website; captured on November 6, 2018

Colon Cleanse Weight Loss Results

Colon Cleansing has quickly become one of the Top Trends all over the world and this is why.

Have you ever started a [sic] dieting, exercising and living a healthier lifestyle but STILL don't see results in your weight?? One of the best health benefits of colon cleansing is seeing rapid weight loss that occurs naturally. The toxins in the body that prevent you from losing weight easily are now removed by the detox tea and your body can FINALLY lose weight on its' [sic] own!

Most people that do cleansing programs or detox tea programs do not change their exercise or diet habits during the program, but see unbelievable results. Below are some Before & After Testimonials from regular people that decided to do a colon cleanse:

[before and after pictures]

(Exhibit 8, portion of Colon Cleanse page on Teami website).

5. Excerpt from September 5, 2018 Instagram post from the official Teami account, which has one million Instagram followers

[Before and after photos appearing to depict dramatic weight loss]

teamiblends We're shouting out our girl @qb.love for her amazing #TeamiTransformation ☕🍃! She's down TWENTY pounds from doing our 30 Day Detox and continues to use it to maintain her weight loss!

(Exhibit 9).

6. Excerpts from May 7, 2018 Instagram post by Kathlyn Celeste, a lifestyle, family, beauty, and fashion influencer with 187,000 Instagram followers

kathlynceleste …
I made a commitment to myself to stick to my @teamiblends Detox program everyday for the entire month of May! Every time I'm consistent with it, I lose at least 8 LBS.

(Exhibit 10).

7. Excerpt from August 15, 2018 Instagram post by Patti Stanger, a reality television personality with 920,000 Instagram followers

pattistanger As I've gotten older (and much wiser 😉), staying in shape isn't as easy. I love my body, but everyone has

problem areas they want to work on. I did some research on the @teamiblends 30 day detox and decided to give it a try, because nothing else I've used throughout the years really worked. I'm two weeks into this detox and I can't believe I'm saying this but I've already lost 8 pounds!

(Exhibit 11).

8. Excerpt from June 5, 2018 Instagram post by Brittanie Evans, a beauty influencer with 505,000 Instagram followers

brittanie_evans My summer body is not exactly where I said it would be in Fall...whoops😅. Luckily, I started up my @teamiblends 30 day detox again to help me jumpstart losing a few pounds for summer. This detox is my all time FAVE...especially because I see a difference within like 3 days, and mostly in my tummy area. I take it everywhere with me which makes it super easy and practical for days where I'm crazy busy! I've been drinking it now for a week and I've already lost about 3 pounds...insane.

(Exhibit 12).

9. Excerpts from June 20, 2018 Instagram post by Rasheeda Buckner, a rapper, television personality, and fashion designer with 8.4 million Instagram followers

rasheedadabosschick …
@teamiblends 30 day detox is where it's at for kickstarting weight loss. I've only been drinking this detox now for a week and already lost over 5 pounds and my bloating is gone. Paired with my 21 day transformation, I'm feeling amazing and I want you guys to do this detox with me to get right for summer! Trust me, I've tried other products like this and wasted my money and time, this is the real deal.

(Exhibit 13).

10. Excerpt from an October 8, 2018 Instagram post by Molly Hopkins, a reality television personality with 161,000 Instagram followers

liviraebras1 Since becoming a #teamipartner, I can't shut up about this tea !! Any chance I get to tell people about it, I talk their ear off. I'm honestly addicted, I have it on an automatic renewal😂 I've lost almost 40 freaking pounds with @teamiblends 30 day detox ....and this was before I was committed to working out and eating healthier ! I used to struggle with different weightloss techniques and nothing ever seemed to work for my body. I was so bloated after I ate, I was sluggish and believe me, I really tried everything. Obviously, I'm a little more health conscious now, but seems like the only thing that I see REAL results with.

(Exhibit 14).

15. From 2014 through mid-2019, sales of Teami Profit tea, Teami Alive tea, Teami Relax tea, and the Teami 30 Day Detox Pack exceeded $15.2 million.

16. In April 2018, FTC staff wrote to Defendants regarding several Teami product endorsements on Instagram by influencers. FTC staff informed Defendants that any material connections to any endorsers, such as monetary payments, should be clearly and conspicuously disclosed in their endorsements; that to make a disclosure both "clear" and "conspicuous," endorsers should use unambiguous language and consumers should be able to notice the disclosure easily without having to look for it; and that because consumers viewing posts in their

Instagram feeds typically see only the first few lines of a longer post unless they click "more," endorsers should disclose any material connection above the "more" link. (Exhibit 15).

17. On May 10, 2018, Defendants implemented a social media policy. Defendants assert that they either provided written copies of the policy to paid influencers or included the policy as part of the influencers' contracts with Teami. The policy instructed influencers, "[E]nsure that all posts for which you receive free product or any type of compensation as an inducement to make the post … [u]se hashtags or words that clearly let the public know of the connection between you and Teami" and "DON'T … [m]ake the disclosure below the 'more' button – the disclosure needs to be seen in the first part of your post without clicking anything else."

18. In many instances, paid influencers were contractually required to obtain approval from Teami for their Instagram posts – including the specific text used – before publishing them. Yet, numerous Instagram posts published by paid influencers after May 2018 did not comply with Teami's own social media policy.

19. Defendants did not enforce their requirement that "disclosure[s] need[ed] to be seen in the first part of [a] post without clicking anything else." Between June and late-October 2018, hundreds of Instagram posts were published by well-known influencers whom Defendants paid more than $500 to endorse Teami products. In most cases, consumers viewing these posts in their Instagram feeds would not have seen any text disclosing the influencers' connections to Teami unless the consumers took the extra step of clicking to see "more."

20. In numerous instances after May 2018, well-known influencers paid by Defendants to promote Teami teas and skincare products posted video endorsements on

Instagram that did not disclose any connections between the endorsers and Defendants within the video itself. In many instances, the text accompanying these videos did not include a disclosure in the first two or three lines of text visible to followers of the influencers viewing the posts in their feeds without the need to click "more." Followers who viewed these videos in their Instagram feeds – either because the videos played automatically within the mobile app, or because the followers chose to play the videos – could have viewed the videos without clicking "more." Examples of such endorsements include: a November 23, 2018 post by Cardi B, a rapper with 53.3 million Instagram followers (Exhibit 16.a, b, and c, with almost 20.4 million views); a September 24, 2018 post by Brittany Renner, a fitness model and author with 5.2 million followers (Exhibit 17.a, b, and c, with 984,000 views); an August 16, 2018 post by Katya Elise Henry, a social media fitness trainer with 6.2 million Instagram followers (Exhibit 18.a. b, and c, with 241,000 views); an October 2, 2018 post by Adrienne Eliza Houghton, a singer, actress, and television personality with 4.5 million Instagram followers (Exhibit 19.a, b, and c, with 254,000 views); a July 24, 2018 post by Leyla Milani-Khoshbin, a model, actress, and television host with 1.1 million Instagram followers (Exhibit 20.a and b, with 428,000 views); a July 10, 2018 post by Alexa PenaVega, an actress and singer with 1.6 million Instagram followers (Exhibit 21.a, b, c, and d, with 24,000 likes); and a February 4, 2019 post by Jenicka Lopez, a reality television personality with 810,000 Instagram followers (Exhibit 22.a and b, with 138,000 views). The first page of each exhibit referenced in this paragraph displays the Instagram post as it appears when viewed using a desktop computer's internet browser and *not* viewed as part of a follower's Instagram feed. By contrast, when viewed in a follower's feed, the caption is truncated such that at most three lines of text are visible unless the follower clicks

on a link labeled "more." When viewed in an Instagram feed on a mobile phone, the posts would have resembled Exhibits 16.b, 17.b, 18.b, 19.b, and 21.b.

21. In numerous instances after May 2018, Instagram posts published by well-known influencers paid by Defendants to endorse Teami teas and skincare products included an endorsement within the photo itself (by clearly showing a Teami-branded product) or within the first two or three lines of the post's caption, but made any disclosures regarding the connections between the endorsers and Defendants in text located below the third line of the caption. Followers of the influencers viewing the posts in their Instagram feeds would have seen the endorsements but would not have seen any disclosures unless they clicked on an option to see "more." Examples of such endorsements include: an August 28, 2018 post by Jordin Sparks, a singer-songwriter with 1.7 million Instagram followers (Exhibit 23.a and b); a July 30 2018 post by Brittany Renner (Exhibit 24.a and b); a June 15, 2018 post by Princess Mae, an Instagram celebrity with 2.1 million Instagram followers (Exhibit 25.a and b); and an August 21, 2018 post by Darnell Nicole, a reality television personality with 645,000 Instagram followers (Exhibit 26.a and b). The first page of each exhibit referenced in this paragraph displays the Instagram post as it appears when viewed using a desktop computer's internet browser and *not* viewed as part of a follower's Instagram feed. By contrast, when viewed in a follower's feed, the caption is truncated such that at most three lines of text are visible unless the follower clicks on a link labeled "more." When viewed in an Instagram feed on a mobile phone, the posts would have resembled the second page of each exhibit.

22. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that Defendants are violating or are about to violate laws enforced by the

Commission because, among other things, Defendants engaged in their unlawful acts and practices repeatedly over a period of several years and continued their unlawful conduct for many months after they learned that the FTC was investigating them.

VIOLATIONS OF THE FTC ACT

23. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits "unfair or deceptive acts or practices in or affecting commerce."

24. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act. Section 12 of the FTC Act, 15 U.S.C. § 52, prohibits the dissemination of any false advertisement in or affecting commerce for the purpose of inducing, or which is likely to induce, the purchase of food, drugs, devices, services, or cosmetics. For the purposes of Section 12 of the FTC Act, 15 U.S.C. § 52, Teami teas, including Teami Profit tea, Teami Alive tea, Teami Relax tea, Teami Skinny tea, and Teami Colon tea, are either "food" or "drugs" as defined in Sections 15(b) and (c) of the FTC Act, 15 U.S.C. §§ 55(b), (c) and Teami skincare products, including Teami Green Tea Blend Detox Mask and Teami Soothe Tea Infused Facial Oil, are "cosmetics" as defined in Section 15(e) of the FTC Act, 15 U.S.C. § 55(e).

COUNT I

FALSE OR UNSUBSTANTIATED EFFICACY CLAIMS

25. Through the means described in Paragraph 14, Defendants have represented, directly or indirectly, expressly or by implication, that:

A. Teami Profit Tea treats cancer;

B. Teami Profit Tea significantly reduces serum cholesterol and unclogs arteries;

C. Teami Alive Tea significantly decreases migraines;

D. Teami Relax Tea prevents and treats colds and prevents flus;

E. Users of the Teami 30 Day Detox lose an average of five to twenty pounds every time they do the thirty-day detox;

F. Users of the Teami 30 Day Detox only have to drink the tea in order to experience substantial weight loss;

G. The Teami 30 Day Detox causes substantial weight loss, including as much as forty pounds;

H. The Teami 30 Day Detox causes rapid and substantial weight loss, including as much as four or more pounds per week; and

I. The Teami 30 Day Detox Pack burns body fat.

26. The representations set forth in Paragraph 25 are false or misleading, or were not substantiated at the time the representations were made.

27. Therefore, the making of the representations as set forth in Paragraph 25 of this Complaint constitutes a deceptive act or practice and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a), 52.

COUNT II

DECEPTIVE FAILURE TO DISCLOSE MATERIAL CONNECTION

28. In connection with the advertising, marketing, promotion, offering for sale, or sale of Teami tea and skincare products, including through the means described in Paragraphs 18

through 21, Defendants have represented, directly or indirectly, expressly or by implication, that social media posts by influencers about Teami products reflected the views of individuals who had used the Teami product.

29. In numerous instances in which Defendants have made the representation set forth in Paragraph 28 of this Complaint, Defendants have failed to disclose adequately to consumers that the influencers were paid to endorse the Teami products. This fact would be material to consumers in evaluating the endorsements of Teami products in connection with a purchase or use decision.

30. Defendants' failure to disclose adequately the material information described in Paragraph 29, above, in light of the representation described in Paragraph 28, above, constitutes a deceptive act or practice and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a), 52.

CONSUMER INJURY

31. Consumers have suffered and will continue to suffer substantial injury as a result of Defendants' violations of the FTC Act. In addition, Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

32. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of any provision of law enforced by the FTC. The Court, in the exercise of its equitable jurisdiction, may award ancillary relief, including rescission or reformation of contracts,

restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, to prevent and remedy any violation of any provision of law enforced by the FTC.

PRAYER FOR RELIEF

Wherefore, Plaintiff FTC, pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), and the Court's own equitable powers, requests that the Court:

A. Enter a permanent injunction to prevent future violations of the FTC Act by Defendants;

B. Award such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the FTC Act, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies; and

C. Award Plaintiff the costs of bringing this action, as well as such other and additional relief as the Court may determine to be just and proper.

Respectfully submitted,

ALDEN F. ABBOTT
General Counsel

Dated: March 5, 2020

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