

Setting the Record Straight: DSSRC's Arbonne Decision

In a recent blog titled “[DSSRC's Arbonne Decision Gets It Wrong](#),” TINA.org criticizes BBB National Programs’ Direct Selling Self-Regulatory Council (DSSRC) for allowing Arbonne, a direct selling company that has been in business since 1980, to continue using certain income-related language in its marketing.

Unfortunately, this blog mischaracterizes the nuance of DSSRC’s decision ([Case #191-2025](#) from February 2025) and includes several inaccuracies about the role of DSSRC and industry self-regulation.

DSSRC and Self-Regulation

DSSRC is a self-regulatory body designed to encourage best practices in the direct selling industry. As DSSRC has consistently reiterated, self-regulation is not—and has never been—a replacement for the vital enforcement efforts of government agencies like the Federal Trade Commission (FTC) and State Attorneys General in addressing perpetrators of fraud and deception in the marketplace.

DSSRC also does not create or enforce the law but functions as a neutral party that promotes compliance with established FTC guidelines, offering constructive guidance, not punitive enforcement. To learn more about why DSSRC was created, listen to [Time for Revolution in the Direct Selling Industry](#).

In its blog, TINA misrepresents DSSRC as “blessing” unsubstantiated earnings claims. In fact, DSSRC prompted Arbonne to remove or significantly modify more than 50 income representations and evaluated Arbonne’s income disclosure practices, resulting in greater clarity and transparency. Self-regulation did not turn a blind eye—rather, it did the difficult work of balancing regulatory expectations with the realities of direct selling marketing in a digital and decentralized sales environment.

The “General Earnings” Claim Debate

TINA incorrectly stated that DSSRC allowed Arbonne (and by extension, other MLMs) to make “general references” to earnings, such as “earn extra income” or “build a flexible income stream,” without requiring immediate, detailed earnings disclaimers in every post. To the contrary, DSSRC prompted Arbonne to remove or revise dozens of claims.

General references to income—when properly qualified and clearly hyperlinked to a full income disclosure statement (IDS)—are not inherently deceptive under FTC law. The FTC allows for layered disclosures and recognizes that advertising on social media has inherent space and formatting constraints. In this case, DSSRC’s distinction between general and specific, atypical, earnings claims reflects both regulatory precedent regarding when disclosures need to be in the same message as the claim and practical necessity.

To expect that every “opportunity to earn income” statement be followed by a complex net-income breakdown, regardless of the platform, is a compliance impossibility.

Income Expectations: Perspective Matters

Arbonne discloses its income data — including average, median, and ranking distributions— and the known, typical expenses incurred in realizing the income reported in its independent consultant earnings statement (ICES) more transparently than most companies in the gig economy or even traditional affiliate marketing. Unlike the 70 IDS’s from a wide range of multi-level marketers reviewed by the FTC in its 2024 staff report, the Arbonne ICES does not exclude participants who made little or no income, it includes the limited income that most participants receive, and it presents the income data in a clear, straightforward, and easily understandable manner.

Following the DSSRC inquiry, Arbonne presents income data in a structured ICES that is available to all prospective distributors and does so in a way that ordinary consumers can easily understand.

TINA theorizes that consumers and prospective salesforce members are inherently deceived by any earnings representations made by direct selling companies, irrespective of clear and conspicuous disclosures that a company implements to qualify and provide material information about the data it presents.

This presumption is not supported by law or the intelligence of reasonable consumers who are capable of evaluating income information when properly disclosed and presented in context.

Because of the modifications Arbonne made as a result of the DSSRC inquiry, a prospective salesforce member is now better equipped with additional data and tools to help make an informed decision about the direct selling business opportunity.

Net vs. Gross Income: A Misleading Metric

TINA asserted that Arbonne’s reporting of “gross earnings” is invalid and that direct selling companies are compelled to report only “net earnings”—that is, after all business-related expenses are deducted.

This assertion is not grounded in law. There is no federal regulation or FTC rule that prohibits companies from reporting gross earnings, provided the information is not presented in a misleading way. In fact, reporting gross income can serve an important function, especially in industries like direct selling where individual expenses vary widely depending on salesforce rank, activity level, and business strategy.

For example, higher-ranking distributors may incur travel or event-related costs that entry-level participants do not, making a uniform calculation of net income impractical and potentially misleading. Salesforce members are independent contractors who are not required to report their individual business expenses to the company. As a result, direct selling companies generally do not have access to accurate or comprehensive expense data, making net income calculations speculative at best.

DSSRC has consistently emphasized the necessity for direct selling companies to provide clear and conspicuous disclosures of all mandatory expenses, as well as any de facto mandatory or recommended costs associated with participation in a direct selling business opportunity. The Arbonne ICES now does this.

As DSSRC noted in the Arbonne decision, the reporting of gross income, when accompanied by appropriate disclosures about potential expenses, offers a reliable and transparent baseline from which informed evaluations can be made. Net-only income reporting ignores both the operational realities of the industry and the flexibility allowed under existing consumer protection laws.

While DSSRC agrees that transparency about costs is important (and Arbonne clearly and conspicuously lists fixed fees and common expenses), expecting net income calculations in all income claims is an unrealistic standard to which few industry sectors—direct selling or otherwise—are held.

The Burden on Consumers and the Value of Self-Regulation

TINA also suggests that the DSSRC’s approach “forces consumers to remediate misleading impressions.” In truth, DSSRC supports repeat, layered transparency—disclosures in proximity, clearly linked to comprehensive earnings statements, and paired with compliance training for distributors.

Consumers bear the responsibility of reading disclosures and asking questions – especially in entrepreneurial ventures. Companies should not deceive, but banning any mention of income unless every possible cost is factored in, every context is explained, and every nuance spelled out is impossible to implement.

The Danger of Overcorrection

In fall 2023, DSSRC released its *Guidance on Income Disclosure Statements* to address a significant omission of resources available to direct selling companies in preparation of an IDS – even though, while not legally obligated to do so, most companies have historically utilized such a document. There was a clear lack of guidance regarding what components should be considered when preparing an IDS, and DSSRC aimed to help address that gap.

The stated intent of the DSSRC Guidance is to “provide direction regarding the type of information that should be considered in an IDS.” In its blog, TINA mischaracterizes the purpose and scope of the document, portraying it as a blanket endorsement for making unsupported earnings claims.

As a result of the DSSRC inquiry, Arbonne removed 40 of the 53 social media posts and made significant modifications to the other online claims at issue and to its ICES to provide greater clarity to the public regarding the data reported in the document.

Deceptive claims must be challenged, and income disclosures should be truthful, non-misleading, robust, and accessible. But painting all opportunity-based marketing with the same brush, and treating all earnings claims as inherently manipulative, compromises the goal of effective, responsible regulation.

The Path Forward

Since its launch in 2019, DSSRC has initiated nearly 600 self-regulatory inquiries — including 11 challenges submitted by TINA — resulting in the removal or significant modification of over 4,000 product and income claims. These efforts have resulted in a meaningful reduction in problematic earnings claims, including phrases like “financial freedom” and “career-level income,” as well as a notable decrease in portrayals of extravagant lifestyle rewards—such as opulent mansions, luxury cars, and oversized checks displaying large sums of money.

DSSRC has actively sought and is open to engaging in collaborative efforts to elevate the quality and integrity of marketing messages in the direct selling channel, including with critics of the business model.

In November 2024, DSSRC proactively alerted TINA to a troubling business opportunity model known as Master Resell Rights (MRR), providing examples of egregious and deceptive income claims being promoted by MRR marketers. Then, in April 2025, TINA published an article exposing MRR’s misleading marketing practices. While DSSRC’s contributions to the article were not acknowledged, it welcomed TINA’s attention to this harmful trend.

DSSRC encourages fact-based, balanced, constructive dialogue. It welcomes honest conversations that recognize the industry’s positive progress while thoughtfully addressing areas where improvement is needed. One-sided critiques do not lead to better business practices – only open, factual discussion can drive meaningful change.

TINA continues to use its platform to reinforce a misleading narrative, suggesting that nothing has changed. That portrayal is simply false.

DSSRC’s decision regarding Arbonne is principled, balanced, and consistent with the current regulatory environment. It led to real improvements, encouraged greater transparency, and showed how industry self-regulation can be a force for positive change.