

BACKGROUND:

Industry Initiative Targets Deceptive, False and Misleading Dietary Supplement Advertising

- The Council for Responsible Nutrition (CRN)—the dietary supplement industry’s leading trade association—has provided the National Advertising Division (NAD) of the Council of Better Business Bureaus—an investigative arm of the advertising industry’s voluntary self-regulatory body—with a series of grants enabling the NAD to expand its oversight program covering print, broadcast, infomercial and internet dietary supplements advertising.
- NAD reviews advertising and labeling and evaluates whether the claims are deceptive or misleading and whether they go beyond what is supported by research and what is allowed by law. The program is national in scope and addresses both comparative and substantive advertising claims. NAD examines dietary supplement advertising challenges reported by consumers and competitors, as well as advertising identified through the NAD’s monitoring process. The grants from CRN, totaling \$2 million over ten years, allow the NAD to increase the number of dietary supplement cases it examines. CRN has no role in determining which advertisements NAD chooses to review in its monitoring process; however, CRN additionally submits challenges and separately pays the submission fees—an option open to anyone. CRN is not part of the decision process regarding whether the claims are determined to be truthful and accurate.
- The initiative provides companies with a forum for the prompt, voluntary discontinuance of misleading or unsubstantiated advertising claims, encouraging fair competition within the industry while providing a cost-effective and rapid resolution process allowing advertisers the opportunity to comment, withdraw and/or correct advertising.
- The program does not replace the Federal Trade Commission’s (FTC) current rigorous and consistent enforcement actions that address the most egregious dietary supplement advertising claims. Rather, companies that cooperate in this voluntary forum can avoid FTC actions before they get filed. However, if an advertiser does not comply with the NAD’s guidance and recommendations, the offending claims can be referred to the FTC for formal investigation.
- Dietary supplement advertising is regulated by the FTC and is treated no differently than any other consumer product advertised in the United States. The Dietary Supplement Health and Education Act (DSHEA) did not alter the FTC’s authority to regulate the advertising of dietary supplements. The FTC is committed to vigorous enforcement against those who deceptively market dietary supplements.
- An estimated 170 million Americans use dietary supplements each year, and the mainstream dietary supplement industry cares very much about the consumers who trust in the benefits of dietary supplement products. The responsible dietary supplement industry is committed to stem the proliferation of marketers that are engaging in unscrupulous, deceptive and misleading dietary supplement advertising.

NAD Program Enhances Responsible Self-Regulation, Promotes Fair Competition and Increases Consumer Confidence in Dietary Supplement Advertising