UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:	Edith Ramirez, Chairwoman Julie Brill Maureen K. Ohlhausen Joshua D. Wright Terrell McSweeny		
In the Matter of)		
L'ORÉAL USA, INC., a corporation.	DOCKET NO. C-4489		

COMMISSIONEDS.

COMPLAINT

The Federal Trade Commission, having reason to believe L'Oréal USA, Inc. ("Respondent"), a corporation, has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

- 1. Respondent L'Oréal USA, Inc., is a Delaware corporation with its principal office or place of business at 575 Fifth Avenue, New York, NY 10017.
- 2. Respondent has advertised, labeled, offered for sale, sold, and distributed products to consumers, including the "Lancôme Génifique" and "L'Oréal Paris Youth Code" skincare products. These products are "cosmetics,"

products are sold at prices ranging between \$60 and \$132 at Lancôme counters in department stores and beauty specialty stores nationwide.

- 6. From approximately February 2009 to April 2013, Respondent disseminated or caused to be disseminated advertisements, packaging, and promotional materials for the Lancôme Génifique products, including, but not necessarily limited to the attached Exhibits A through C. These materials contained the following statements:
 - A. Youth is in your genes. Reactivate it. See visibly younger skin in just 7 days.

GÉNIFIQUE

YOUTH ACTIVATING CONCENTRATE

At the very origin of your skin's youth: your genes.

Genes produce specific proteins. With age, their presence diminishes. Now, boost genes' activity² and stimulate the production of youth proteins.³

Discover the skin you were born to have.

Breathtakingly beautiful, skin looks as if lit-from-within. Its youthful quality returns: cushiony soft, astonishingly even, dramatically refined.

Clinically proven. Use AM and PM for powerful skin results in 7 days.⁴

[Graph showing that 85% of users had perfectly luminous skin, 82% had astonishingly even skin, 91% had cushiony soft skin, and 82% found skin appearance is improved.]

Learn more at lancome.com

¹Activate skin's youthful look. ²In-vitro test on genes. ³Clinical study on skin proteins, associated with young skin – France. ⁴Based upon consumer evaluations in a clinical study, which also consists of expert evaluations

(Exhibit A, Génifique Youth Activating Concentrate print ad (July 2011)).

B. You sleep. Genes don't.

Wake up to visibly repaired skin. As if you had slept 2 extra hours.¹

NEW GÉNIFIQUE REPAIR

YOUTH ACTIVATING NIGHT CREAM

During the night, **the speed of cell regeneration doubles.** By screening over 4,000 genes, our laboratories identified

genes responsible for cellular regeneration.

Today, Lancôme creates Génifique Repair, our first night care that **boosts the activity of genes.**²

Visibly repair and restore your skin while you sleep. The first morning, skin looks smoother and fresher. Night after night, skin is visibly younger and rested, as if you had slept 2 extra hours.¹

10 YEARS OF RESEARCH - 7 INTERNATIONAL PATENTS

(Exhibit B, Génifique Repair Youth Activating Night Cream print ad (May 2010)).

C.

¹Based upon consumer evaluations. ² In-vitro test on genes.

Voice over: Génifique. Lancôme.

On screen: GÉNIFIQUE

Youth Activating Concentrate

(Exhibit C, Génifique Youth Activating Concentrate 15-second TV ad (Feb. 2010)).

7. Respondent has represented with a bar graph that a clinical study proves that Génifique Youth Activating Concentrate produces "perfectly luminous" skin in 85% of women, "astonishingly even" skin in 82% of women, and "cushiony soft" skin in 91% of women, in seven days (*see* Exhibit A). In the study depicted in that bar graph, 34 women who applied Génifique twice daily for 8 weeks answered questionnaires about their experience with the product. The women answered each question on a nine-point scale, with one on the scale equivalent to "disagree completely" and nine equivalent to "agree completely." Among others, the questionnaire included the following three questions:

Skin appears more radiant/luminous; Skin tone/complexion appears more even; and Skin feels softer.

8. Subjects were not asked to rate the magnitude of results achieved, but merely to indicate whether there was any improvement in a particular measure (*e.g.*, the women were not asked *how* radiant or luminous their skin felt after using Génifique, but how strongly they agreed or disagreed that there was *any* improvement in their skin's radiance or luminosity after using the product). While 85.3% of women

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Starter System

YOUTH CODE TM

Youth Regenerating Skincare

Count I

- 13. In connection with the advertising, promotion, offering for sale, or sale of the Lancôme Génifique Products, Respondent has represented, directly or indirectly, expressly or by implication, that:
 - A. Génifique Youth Activating Concentrate boosts the activity of genes, thereby

Count IV

- 19. In connection with the advertising, promotion, offering for sale, or sale of the L'Oréal Paris Youth Code products, Respondent has represented, directly or indirectly, expressly or by implication, that scientific studies prove:
 - A. Youth Code targets specific genes to make skin look younger.
 - B. Youth Code targets specific genes to make skin act younger and respond five times faster to aggressors such as stress, fatigue, and aging.
- 20. In fact, scientific studies do not prove the representations set forth in Paragraph 19. Therefore, the representations set forth in Paragraph 19 are false or misleading.

Violations of Sections 5 and 12

21. The acts and practices of Respondent as alleged in this complaint constitute unfair or deceptive acts or practices, and the making of false advertisements, in or affecting commerce in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

Therefore, the Federal Trade Commission this twenty-fourth day of September, 2014, has issued this complaint against Respondent.

By the Commission, Commissioner McSweeny not participating.

Donald S. Clark Secretary