



Attorney General Kamala Harris
Office of the Attorney General
1300 "I" Street
Sacramento, CA 95814-2919

Aug. 30, 2016

Re: Act on Herbalife abuses

Dear Attorney General Harris:

We are writing on behalf Consumer Watchdog to urge you to take immediate action on the hundreds of consumer complaints against Herbalife to obtain relief for the Californians, regardless of their immigration status, who were victimized by Herbalife's deceptive and predatory business practices. As you know, Herbalife recently reached a settlement with Federal Trade Commission, requiring Herbalife to pay \$200 million to their consumer base and restructure their abusive business practices. The FTC said Herbalife's current practices were unfair and that the company dishonestly attracted consumers under the belief that they would earn a significant amount of money by selling Herbalife products.

Consumer Watchdog commends the FTC for stopping Herbalife's deceptive practices, but it is clear that more needs to be done to ensure that all victims in California receive fair restitution and are protected in the future. Undocumented residents, who represent a disproportionate share of Herbalife's victims, are unlikely to come forward to take advantage of a federal settlement. Simply put, they fear that giving information to a federal agency could lead to their deportation. Therefore, we urge you to launch an investigation into Herbalife's past business practices in California and to take action on behalf of all California residents, including those who are afraid of seeking to benefit from the FTC settlement.

The FTC settlement with Herbalife should fundamentally alter Herbalife's abusive business strategy and practices. It represents a step toward justice for those who have fallen victim to the company and who are willing and able to make a claim. However, the FTC action is not enough; you must ensure that the company never has another opportunity to mislead consumers within the State of California again and that all victims in the state, regardless of immigration status, receive restitution.

In 1986 then Attorney General John Van de Kamp obtained an injunction that was supposed to stop Herbalife's abusive practices, but the company never fully complied. As a result, a reported 780 victims have filed consumer complaints about Herbalife to your office. Californians need their Attorney General to stand with them and demonstrate that their voices have not gone unheard. By filing a lawsuit against Herbalife for violating the 1986 injunction, you can provide relief to the hundreds of Californians that were victimized by Herbalife's business practices and offer further protection and restitution to all California residents that were affected.

There is clear precedent for state action against Herbalife. Earlier this summer, Illinois Attorney General Lisa Madigan announced a \$3 million settlement to directly resolve the consumer complaints filed against Herbalife in her state, providing further reimbursements to the state's victims. The victims in California, regardless of their immigration status, deserve similar additional support. California needs you, Attorney General Harris to stand with them. We are asking for action that will provide justice to those in our state who have been hurt by Herbalife's deception and abusive predatory business practices.

Sincerely,

The image shows two handwritten signatures in black ink. The first signature on the left is 'Jamie Court' and the second signature on the right is 'John M. Simpson'. Both are written in a cursive, flowing style.

Jamie Court
President

John M. Simpson
Privacy Project Director