Herbalife Agrees to $200M Settlement With FTC

The Federal Trade Commission has determined that Herbalife is not a pyramid scheme, but the nutritional supplement marketer will still be required to pay $200 million to consumers and "fully restructure" its "unfair" business in a comprehensive settlement, the federal regulator said Friday, according to a **report by *USA Today***.

"The settlement caps a two-year investigation by the FTC, which probed Herbalife over accusations that the company's main focuses less on retail sales of products than on on bringing in increasing numbers of new sales people who were deceived into believing they could reap substantial profits by selling diet, nutritional supplement and personal care products," report **Nathan Bomey** and **Kevin McCoy**.

Under the settlement, Herbalife must "fundamentally restructure its business, so that participants are rewarded for what they sell, not how many people the recruit," FTC Chairwoman Edith Ramirez said in a statement.

Read the article.