

**BBB NATIONAL PROGRAMS, INC.**  
The Direct Selling Self-Regulatory Council

Case Number: 15-2020 – Monitoring Inquiry – Global Domains International

**COMPANY DESCRIPTION**

Global Domains International (“GDI” or the “Company”) is a multi-level direct selling company based in California that specializes in providing internet domains and personal internet addresses to consumers through its independent affiliates.

**BASIS OF INQUIRY**

The Direct Selling Self-Regulatory Council (“DSSRC”) is a national advertising self-regulation program administered by BBB National Programs, Inc. This inquiry was commenced by the DSSRC pursuant to its ongoing independent monitoring of advertising and marketing claims in the direct selling industry and, in particular, claims disseminated by salesforce members on social media.

Specifically, DSSRC identified several core earnings claims being disseminated on social media by affiliates of the Company.

The representative earnings claims that are the subject this inquiry are as follows:

- “GDI Global Domains International – earning \$3000 weekly from global domains international GDI”
- "Finally a Real Way to Make Money Not Doing Anything. Work At Home and Work Online set anytime you want to run your Online Business”
- “Can money really be made online? This is a question that people often ask. The answer to that question is ABSO-FREAKIN-LUTELY!! There are various different ways. But take a moment to read about this one in particular. Start making not ONE but SIX streams of income within one opportunity by registering to be a member of Global Domains International, Inc.

The Global Domains system includes:

1. Downline commissions (10% for 5 generations)
2. Learning bonuses (\$25 one time for new members)
3. Superstars bonuses (\$100 unlimited)
4. Duplication bonuses (\$250 unlimited)
5. Heavy Hitters bonuses (\$5000 unlimited)
6. Infinity Override bonuses (10% for the 6<sup>th</sup> generations to infinity)

By just joining here, access to unlimited targeted traffic is provided as well as automated downline placement to help jumpstart commissions and bonuses.

Making income here is dummy-proof (unless literally no action is taken)!”

- “Also pull up this video to pass on to your team by going to: [www.secretmlmsystem.com](http://www.secretmlmsystem.com) to see how to make over 100,000 dollars in monthly residual income with Global Domains International by only getting 10 people to join gdi as affiliates.

Yes you can make money with GDI in 2019 and beyond with our simple ws domain name service.”

- “In this Global Domains International Review you’ll discover what the company is and how to make money with GDI fast!

Global Domains International Compensation plan is one of the most lucrative out there. The potential for making \$3,000+ per week (just in bonus money) is a real possibility, even if you're brand new.”

- “Additionally, you can earn an unlimited amount of money monthly as an affiliate.”
- “Why join my team? You’re gonna quickly earn \$2,000 or more every month if you put in the work.”
- “And I’m gonna show you how with just 10 people on your team that you personally enroll, how you can make up to \$100,000, over a \$100,000 per month—not per year. Folks, you’re making over \$46,000 right there every single year by you just referring 5 people that get five, five generations down. Let’s say you get 6 people and those 6 go out and get 6, five generations down. Folks, just by adding one person that gets an extra one person five levels down, you’re talking over \$9,000 a month. So \$9,330 per month times 12 months—in a year folks you’re looking at over a \$100,000. \$111,960 per year by taking it one step further. Instead of five, you get six, and you teach your six to get six, five levels down. Almost 10 grand a month in monthly residual income. Are you getting excited yet?”
- “Get 10 good people, a dollar a piece a month you’ll get off them, but those 10 go out and get 10 five generations down on levels 2-5. Folks, do you realize 10 getting 10 five generations down to take a free trial of a company that has a \$10 per month service which is a WS domain name, you would be making over a \$111,110 bucks per month. So lets do that math on my calculator real simple...you’re making over 1.3 million dollars per year.”
- “See, we all have 24 hours in a day but the million-dollar question is what are you filling your 24 hours in a day with. Being a slave to your boss, being a slave to corporate American maybe? How are you ever going to have time freedom in your life you don’t take 15-20

minutes or half hour a day to put into your business to have some time freedom in your life and money freedom in your life.”

- “Click on this second option which is to make money with the income for life opportunity as an affiliate.”
- “By talking to people that started out with nothing and then started recently making money little by little, I kind of like to pick their brain and get to know them and ask them questions...how they went from zero to making sales and then to six figures because I have a few people that I know like that

I followed them when they weren't making any money to now, six figures which is really awesome. And I follow those people because I can't really wrap my head around making a hundred thousand dollars a month but I can wrap my head around making \$40 a month, you know, making \$88 a month.”

- “In this video I'm going to log into my GDI back-office and explain exactly what it is. I'll show you proof of the three thousand dollars in bonus cash I've made just this past week. And I'll also show you how you can get started for free and very quickly, and very easily start earning the same.

Last week we got 66 new customers, we were the top of the company leaderboard and that made us \$1,300 and that's just in bonus money. This comp plan pays you five levels deep, recurring income too so its very, very lucrative.

Lets just look at the bonuses that came in this past week and you can see we're top of the company leaderboard for the new week that's just started. We've already earned \$100 bonus money. And you can see last week we got 150 signups, we made \$3000 in bonus money, and there are several people in this leaderboard, I'm not gonna point out their names but there are at least four or five people on this leaderboard who are in our team, who are making a bunch of money too and we're helping them to make money by placing customers under them.”

- “...over \$1000, \$1,600, several payments of \$1,000, \$900, \$800; you can just see like clockwork money coming in. But you can really see in that time, as I said money is coming in but we really haven't been active with this business. We just did not take it seriously and we still pulled in nearly \$31,000.

Now recently, if I go back, you're probably thinking “well how come you've just suddenly started pulling in like three grand a week.” Well that's because the last couple of weeks we

decided that this had paid us without doing anything for nearly nine years, what would happen if we spent 20 minutes a day actually getting a little bit busy with this and helping other people too. And since we did that, our income exploded.”

- “When you join my team, I’m gonna be placing customers in your downline for you which means you will be getting paid. Chances are in your free trial period, I will be placing people under you so you will already have paying customers in your business. I’m also gonna train you and give you exactly what you need to be reaching, let’s just say in extra bonus money, at least an extra money \$200 - \$3000 a week just in bonus money and this not even including the recurring money that GDI is gonna be paying you five levels deep.”
- “Quit Your Job Using This One Thing!

Access This Automated System For Free And Discover How To Fire Your Boss in 90 Days!”

DSSRC informed the Company of its concern that a reasonable consumer may interpret such earnings claims, and similar claims, to mean that the financial success depicted would be the type of financial success that the typical individual selling GDI will generally achieve.

### **COMPANY’S POSITION**

In response to DSSRC’s inquiry, the Company promptly contacted the affiliates that made the social media posts identified above and requested that such claims be removed. The Company provided DSSRC with copies of its email requests to its affiliates, which included both active and non-active affiliates. Such requests included copies of relevant portions of the Company’s Independent Affiliate Policies and Procedures including the Company’s policy on income claims which states:

Income Claims. No income claims, income projections, nor income representations may be made to prospective Affiliates. Obviously, any false, deceptive, or misleading claims regarding the opportunity or products and services are prohibited. In their enthusiasm, Affiliates are occasionally tempted to represent hypothetical income figures based upon the inherent power of network marketing as actual income projections. This is counter-productive, since new Affiliates may be quickly disappointed if their results are not as extensive or as rapid as a hypothetical model would suggest. GDI believes firmly that the income potential is great enough to be highly attractive in reality without resorting to artificial and unrealistic projections.

In addition to written requests to both active and inactive distributors, the Company also provided DSSRC with copies of the written requests to YouTube, requesting that the subject videos be removed.

### **ANALYSIS AND RECOMMENDATION**

As the Company did not attempt to substantiate the earnings claims at issue in this inquiry that were made on social media by its affiliates and former affiliates, DSSRC finds the Company's efforts to have the claims removed from circulation to be necessary and appropriate.

DSSRC also acknowledges and appreciates the Company's efforts to have claims made by inactive distributors removed from circulation including the Company's written requests to the social media platform (YouTube) where the claims reside. Where improper claims have been made by a former distributor that has become inactive, DSSRC has previously recommended that the direct selling company make a bona fide good faith effort to have the improper claim removed circulation. Young Living Essential Oils, LLC, DSSRC Case No. #14-2020.

In addition to the steps taken by the Company to address the specific representative earnings claims that DSSRC identified to the Company in this inquiry, DSSRC recommends that the Company take reasonable steps to ensure that similar claims are not being made by affiliates of the Company and that any similar claims in the marketplace are promptly removed from circulation.

DSSRC also recommends that the Company take additional steps to educate its affiliates regarding earnings claims. While the Company's Policies and Procedures guide Company affiliates as to avoid hypothetical earnings scenarios, DSSRC recommends that the Company educate its affiliates that, in connection with any atypical earnings claim, the best practice is for the affiliate to state that the amount of earnings depicted is not typical, and disclose the state the results that can generally be expected by a Company affiliate. DSSRC notes, however, that the success depicted in some earning claims (and lifestyle claims) may be so extraordinary that such claim cannot be qualified by a disclosure of generally expected results.<sup>1</sup>

## **CONCLUSION**

DSSRC recommends that GDI use bona fide good faith efforts to have the representative earnings claims at issue in this inquiry, as well as any similar claims, removed from circulation. DSSRC also recommends that the Company take additional steps to educate its affiliates to refrain from making unqualified, atypical earnings claims. DSSRC will continue to monitor the marketing messages disseminated by GDI to assure that the Company is adhering to its commitment that the Company and its affiliates will refrain from communicating unqualified, atypical earnings claims.

## **COMPANY STATEMENT**

GDI agrees to abide by DSSRC's recommendations.

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<sup>1</sup> Paparazzi Accessories, LLC, DSSRC Case #14-2020. "Even truthful testimonials from the very small minority of participants who do earn career-level income or more will likely be misleading unless the advertising or presentation also makes clear the amount earned or lost by most participants." Federal Trade Commission Business Guidance Concerning Multi-Level Marketing (2018). Particular attention should be given to claims such as the representative claims at issue in this inquiry that a consultant "can achieve career-level income." Id. Such claims "may represent through words or images that participants can earn thousands of dollars a month, quit their jobs, 'fire their bosses,' or become stay-at-home parents. If participants generally do not achieve such results, these representations likely would be false or misleading to current or prospective participants." Id.

(Case No. 15-2020 HJS, closed on 3/24/2020)  
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