

1 NADINE S. SAMTER, WA Bar #
 2 23881
 3 nsamter@ftc.gov
 4 KATHARINE F. BARACH, WA Bar
 # 51766
 5 kbarach@ftc.gov
 6 Federal Trade Commission
 7 915 2nd Ave., Suite 2896, Seattle, WA
 8 98174
 9 Tel: (206) 220-6350/Samter Cell
 (202) 725-4585
 Fax: (206) 220-6366
 10 CARLA L. CHEUNG, CA Bar #
 291562 (Local Counsel)
 11 ccheung1@ftc.gov
 10990 Wilshire Blvd., Suite 400
 12 Los Angeles, CA 90024
 13 Tel: (310) 824-4300/Cell: (202) 644-
 6785
 14 Fax: (310) 824-4318

15 Attorneys for Plaintiff
 16 FEDERAL TRADE COMMISSION
 17
 18
 19

ROB BONTA
 Attorney General of California
 NICKLAS A. AKERS
 Senior Assistant Attorney General
 JUDITH FIORENTINI
 Supervising Deputy Attorney General
 MICAH C.E. OSGOOD (SBN
 255239)
 MICHELLE BURKART (SBN
 234121)
 Deputy Attorneys General
 California Department of Justice
 455 Golden Gate Ave. Suite 11000
 San Francisco, CA 94102
 (415) 510-44002
 mike.osgood@doj.ca.gov

Attorneys for Plaintiff
 THE PEOPLE OF THE STATE OF
 CALIFORNIA

**UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA**

22 FEDERAL TRADE COMMISSION,
 23 and THE PEOPLE OF THE STATE OF
 CALIFORNIA,
 24 Plaintiffs,
 25 vs.
 26 CRI GENETICS, LLC, a limited
 liability company, also doing business
 27 as OMNIPGX,
 28 Defendant.

Case No. 2:23-CV-9824

**COMPLAINT FOR PERMANENT
 INJUNCTION, CIVIL PENALTIES, AND
 OTHER RELIEF**

1 Plaintiffs, the Federal Trade Commission (“FTC”), and The People of the
2 State of California, acting through Rob Bonta, Attorney General (“California”)
3 (collectively, “Plaintiffs”), for their Complaint allege:

4 1. The FTC brings this action under Section 13(b) of the Federal Trade
5 Commission Act (“FTC Act”), 15 U.S.C. § 53(b), which authorizes the FTC to
6 seek, and the Court to order, permanent injunctive relief for Defendant’s acts or
7 practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

8 2. Plaintiff California brings this action under California’s Unfair
9 Competition Law, Business and Professions Code § 17200 *et seq.*, and California’s
10 False Advertising Law, Business and Professions Code §17500 *et seq.*, which
11 authorize the Court to order civil penalties, injunctive relief, restitution, and other
12 equitable relief.

13 SUMMARY OF CASE

14 3. Defendant CRI Genetics, LLC (“CRI” or “Defendant”), a DNA
15 testing company, violated Section 5 of the FTC Act, 15 U.S.C. § 45(a), and
16 California’s Unfair Competition Law and False Advertising Law, by
17 misrepresenting to consumers that its DNA ancestry testing is more accurate and
18 detailed than those of CRI’s competitors and, using a patented software algorithm
19 for matching DNA, CRI’s ancestry reports would show consumers exactly where
20 their ancestors were from and when they arrived there with over 90 percent
21 accuracy going back 50 or more generations. Defendant made these claims on the
22 Internet through a variety of deceptive means that violated Section 5 of the FTC
23 Act, and California’s Unfair Competition Law and False Advertising Law. These
24 claims were widely disseminated on Defendant’s own websites.

25 4. Defendant also violated Section 5 of the FTC Act, and California’s
26 Unfair Competition Law and False Advertising Law, through the use of numerous
27 deceptive marketing tactics designed to manipulate users into purchases.
28

1 Defendant first lured consumers to its marketing websites using websites
2 deceptively formatted to look like independent sites for unbiased reviews and
3 ratings of DNA ancestry testing companies. Defendant failed to disclose on the
4 websites that it owned them and provided the content in them. Defendant then
5 doubled down on the deception by posting phony consumer reviews purportedly
6 from “satisfied” customers. Next, Defendant used a false message that test kits
7 were in limited supply to pressure consumers to buy products and services
8 immediately, claiming without basis that packages were often “out of stock” or
9 “backordered,” and “not always available.” Defendant forced consumers to click
10 through numerous pop-up pages of offers characterized as “special rewards” that
11 purportedly “9.1 out of 10 consumers choose.” Defendant trapped many
12 consumers into unwanted purchases by deceptively labeling the pop-up pages as
13 steps in the transaction and representing to consumers that their order “was not
14 complete” and that they would have the opportunity to review their selected items
15 and amounts in a final summary before being charged. Instead, Defendant charged
16 consumers immediately and failed to disclose this practice, forcing many
17 consumers to go through Defendant’s refund process to recoup the unwanted
18 charges. Together these deceptive marketing tactics, many of which can be
19 described as “dark patterns,” manipulated consumers, based on false claims
20 deceiving them about the product quality and popularity, into making immediate
21 purchases.
22

23 **JURISDICTION AND VENUE**

24 5. This Court has subject matter jurisdiction over the federal claims
25 pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and supplemental jurisdiction
26 over the state law claims pursuant to 28 U.S.C. § 1367.

27 6. Venue is proper in this District under 28 U.S.C. § 1391(b)(1), (b)(2),
28 (c)(2), and (d), and 15 U.S.C. § 53(b).

PLAINTIFFS

1
2 7. The FTC is an independent agency of the United States Government
3 created by the FTC Act, which authorizes the FTC to commence this district court
4 civil action by its own attorneys. 15 U.S.C. §§ 41–58. The FTC enforces
5 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive
6 acts or practices in or affecting commerce.

7 8. The People of the State of California bring this action by and through
8 Attorney General Rob Bonta, who is authorized by California Business and
9 Professions Code §§ 17535 and 17536 to enforce the California False Advertising
10 Law, California Business and Professions Code § 17500 *et seq.*, and authorized by
11 California Business and Professions Code §§ 17204 and 17206 to enforce the
12 California Unfair Competition Law, California Business and Professions Code §
13 17200 *et seq.*

DEFENDANT

15 9. Defendant CRI Genetics, LLC, also doing business as OmniPGX, is a
16 California limited liability corporation with its principal place of business at 122
17 Sheldon Street, El Segundo, California 90245. CRI transacts or has transacted
18 business in this District and throughout the United States. At times relevant to this
19 Complaint, acting alone or in concert with others, Defendant has advertised,
20 marketed, distributed, or sold DNA test kits and ancestry and health and wellness
21 reports to consumers throughout the United States.
22

COMMERCE

24 10. At all times relevant to this Complaint, Defendant has maintained a
25 substantial course of trade in or affecting commerce, as “commerce” is defined in
26 Section 4 of the FTC Act, 15 U.S.C. § 44.
27
28

DEFENDANT’S COURSE OF CONDUCT

Defendant’s DNA Testing Products and Services

1
2
3 11. Defendant has advertised, marketed, promoted, offered for sale, and
4 sold DNA saliva swab test kits since at least 2017. Defendant has also advertised,
5 marketed, promoted, offered for sale, and sold DNA reports generated from the
6 results of the saliva swab kits processed by a third-party laboratory. The reports
7 purportedly provide consumers with information about their genetic ancestry,
8 potential health and wellness traits and conditions, and paternity. Defendant sells
9 its DNA test kits and ancestry and other reports directly to consumers through its
10 website, www.crigenetics.com (the “CRI Website”).

11
12 12. Defendant’s basic package includes three distinct reports that purport
13 to show consumers’ geographical and ethnic ancestry: the Recent Ancestry Report,
14 the Advanced Ancestry Report, and the Advanced Ancestry Timeline. The Recent
15 Ancestry Report is an analysis of consumers’ DNA that purports to show
16 consumers their ethnic and geographic ancestry from the last five generations of
17 their family.

18 13. Defendant’s Advanced Ancestry Report is an analysis of consumers’
19 DNA that purports to show consumers their ancestry dating back thousands of
20 years, reflecting consumers’ “oldest” ancestries in their family histories.

21 14. Defendant’s Advanced Ancestry Timeline is an analysis of
22 consumers’ full DNA sequence that purports to show consumers *when* certain ethnic
23 or regional features entered their DNA, dating back more than 50 generations.

24 15. Defendant also offers and sells a more expensive package that
25 includes the basic package with additional DNA-based health and wellness reports.
26 The DNA health and wellness reports purport to identify statistically significant
27 associations between consumers’ genetic markers and certain medical conditions
28 and traits, such as a propensity to have lactose intolerance or a certain eye or hair

1 color.

2 16. Defendant also offers and sells consumers additional products and
3 services after consumers make initial package selections. These additional offers
4 typically include DNA reports providing additional information regarding maternal
5 or paternal ancestry lines and celebrity reports that Defendant claims will match
6 consumers' DNA with those of famous people. Defendant also offers customers
7 additional DNA test kits for family members and expedited delivery on their
8 reports after consumers select their initial packages.

9 17. Defendant's packages range from \$99 to \$199, depending on the
10 number of reports consumers purchase. Some consumers pay over \$300 to
11 Defendant, depending on the number of products or services that they choose to
12 order in addition to the initial package. Defendant's gross revenues from 2017 to
13 2021 are as much as \$42.8 million.

14 **DNA Testing Generally**

15 18. Genetic testing for ancestry involves comparing the genetic variations
16 in a person's DNA sequence to certain genetic mutations in the DNA sequences of
17 other people who have submitted their DNA samples for genetic testing and whose
18 ancestries are known from genealogical research and confirmed family histories.
19 These pools of DNA samples from people with established ancestries are referred
20 to as "DNA Reference Datasets."
21

22 19. Genetic testing is also used to match genetic patterns of people with
23 certain known health conditions or traits. For example, a known genetic mutation
24 may be associated or correlated with certain traits, such as having blue eyes or red
25 hair, or may be associated with certain health conditions such as lactose intolerance
26 or the tendency towards insulin resistance. Although genetic testing can identify
27 these mutations in the genome, people who have the mutations do not necessarily
28 have the associated trait or condition associated with the mutation because genetic

1 mutations are not always expressed.

2 20. Most genetic testing companies use similar standardized tests for
3 processing consumers' biological samples. The results of these tests do not
4 significantly vary based on who performs the tests if they are processed in an
5 accredited lab. As a result, each genetic testing company will likely identify the
6 same genetic variations and mutations in a person's DNA with a high level of
7 accuracy. The results of the DNA tests showing genetic mutations are commonly
8 referred to as "DNA Raw Data Profiles." Although many DNA testing companies
9 permit consumers to download and keep their DNA Raw Data Profiles, Defendant
10 does not.

11 21. After the test kits are processed and the DNA Raw Data Profiles are
12 compiled, DNA testing companies prepare reports that estimate consumers'
13 ancestries or traits by comparing certain segments of those consumers' DNA from
14 the DNA Raw Data Profiles to the companies' DNA Reference Datasets. Each
15 company's DNA Reference Dataset is comprised of publicly available DNA data
16 from people with known ethnicities, as well as DNA data that each company
17 compiled from its own customers' DNA Raw Data Profiles. As a result, each
18 company's DNA Reference Dataset is unique and proprietary to that company.
19

20 22. The size and variation of the known ancestries in each company's
21 DNA Reference Dataset can also vary substantially. The genetic testing companies
22 with the largest and most ethnically diverse DNA Reference Datasets are likely to
23 produce the most accurate ancestry reports. CRI does not have the largest and
24 most ethnically diverse DNA Reference Datasets by a significant margin compared
25 to several other DNA testing companies in the market.

26 23. Genetic testing companies estimate consumers' ancestry composition
27 by comparing consumers' DNA Raw Data Profiles with the companies'
28 proprietary DNA Reference Datasets using software algorithms. Each company's

1 software algorithm is proprietary as well. The algorithms “predict” consumers’
2 ancestry and the companies generate reports to communicate the information to
3 consumers, often through various graphics and with varying levels of detail and
4 analysis. Each company’s algorithmic estimations of ancestry also have different
5 margins of error.

6 24. DNA testing for ancestry is at best an *estimation* of one’s ancestry and
7 the achievable accuracy in ancestry predictions is limited. Further, because the
8 DNA Reference Datasets and matching algorithms are different for every
9 company, consumers who test their DNA with more than one company may find
10 significantly different estimations of their ancestry from each of their tests.

11 25. DNA ancestry testing also is limited in its usefulness for accurately
12 determining a person’s geographical heritage because genes do not correspond
13 exclusively to one part of the world. DNA ancestry tests merely look for how
14 often variations occur and algorithmically assign geographical areas based on
15 statistical probabilities. For example, a genetic variant found in Africa may also be
16 found in South America. As a result, DNA ancestry tests cannot provide a precise
17 picture of when one’s ancestors lived in a particular geographical area.

18 **Defendant’s Claims About The Accuracy**

19 **Of Its DNA Testing Products and Services and Algorithm**

20 26. Since 2017, Defendant has advertised, marketed, and promoted its
21 DNA-based reports through a variety of methods, including through several
22 websites (crigenetics.com, geneticsdigest.com, geneticsillustrated.com,
23 buyerranking.com, omnipgx.com, and herbalistreport.com); search engine and
24 display advertising; consumer testimonials; and social media.

25 27. From 2017 to April 2021, Defendant’s core product representations
26 centered on the accuracy of its ancestry breakdowns reported to consumers from
27 their DNA test results. Defendant claimed that its DNA ancestry testing products
28

1 and services: (1) were the most accurate and detailed DNA ancestry tests and
2 reports available on the market; (2) would show consumers' ancestry breakdown
3 with an accuracy rate of over 90%; and (3) would show exactly where consumers'
4 ancestors came from and exactly when they arrived there going back more than 50
5 generations.

6 28. From 2017 to April 2021, to induce consumers to purchase its DNA
7 testing products and services, Defendant disseminated or caused to be disseminated
8 advertisements and promotional materials, including, but not necessarily limited to,
9 the attached Exhibits A through M, through the means described above. Defendant
10 represented that its products were the most accurate and detailed DNA ancestry
11 tests and reports available on the market in advertisements that contained the
12 following statements and depictions:

13 **A. From www.crigenetics.com (excerpts attached as Exhibit A (Oct. 14,**
14 **2020) (“Ex. A”), p. A-6; and Exhibit B (Oct. 22, 2020) (“Ex. B”), p. B-**
15 **15):**

16 “CRI is an advanced team of Geneticists, Anthropologists, and Social
17 Scientists, who work together to deliver you the most accurate estimation
18 of your ancestry possible.”
19

20 **B. From www.crigenetics.com, (excerpts attached as Ex. A, p. A-4; Ex.**
21 **B, p. B-32; Exhibit C (Nov. 18, 2020) (“Ex. C”), p. C-6; Exhibit D**
22 **(Dec. 2, 2020) (“Ex. D”), p. D-4):**

23 “Simply put, the genetic expertise at CRI Genetics is unmatched
24 anywhere else in the business. That means that you get fascinating
25 Ancestry reports and useful Health reports that are not just detailed, but
26 are also extraordinarily accurate. We’re very confident you will love
27 every step of the process at CRI Genetics.”
28

29. Defendant also represented that its products and services would show

1 consumers' ancestry breakdown with an accuracy rate of over 90% in
2 advertisements that contained the following statements and depictions:

3 **A. From www.crigenetics.com, (excerpts attached as Ex. A, p. A-18; Ex.
4 B, p. B-13; and Exhibit E (Dec. 9, 2020) ("Ex. E"), p. E-3:**

5 "Genealogical testing is much like predicting the weather: it's not
6 possible to be 100% correct all the time, but we can at least be mostly
7 correct most of the time by observing patterns, knowing history, and
8 using statistics. In our case, our results are typically 99.9% accurate,
9 which is a little better than trying to predict the weather."

10 **B. From www.crigenetics.com, (excerpts attached as Ex. A, p. A-10):**

11 **"You'll Never Look At Family Photos The Same Way Again**

12 Knowing your background gives you a deeper connection to all corners
13 of the world that are uniquely YOURS. Know exactly where your DNA
14 comes from with **90%+ accuracy** . . . Get A Detailed, Accurate
15 Breakdown of Your Heritage." [emphasis in original].

16 **C. From www.crigenetics.com, (excerpts attached as Ex. E, p. E-6):**

17 "The BioGeographical Ancestry estimation we have determined for you
18 is extremely accurate. The latest genetic reading equipment, our patented
19 DNA analysis software, along with our experience and techniques allow
20 us to achieve accuracy greater than 99.9%."

21
22 30. Defendant further represented that its products would show exactly
23 where consumers' ancestors came from and exactly when they arrived there going
24 back more than 50 generations in advertisements that contained the following
25 statements and depictions:

26 **A. From www.crigenetics.com, (excerpts attached as Ex. A, p. A-8; Ex.
27 B, p. B-1; Ex. D, p. D-1; Ex. E, p. E-1):**

28 "Our **Advanced Ancestry Timeline** takes you back 50+ generations, to

1 find out exactly WHEN and WHERE your ancestors are from.”

2 [emphasis in original].

3 **B. From www.crigenetics.com (excerpts attached as Ex. C, p. C-2):**

4 **“Timing and Location:** By examining 642,824 relevant markers across
5 your genome using my patented DNA analysis software, I will be able to
6 tell you not only **where your ancestors came from, but also exactly**
7 **when they arrived.”** [emphasis in original].

8 **C. From www.crigenetics.com (current version available for viewing at**
9 **<https://www.youtube.com/watch?v=OGLiMoE3xfY>) (transcript**
10 **available on request):**

11 “CRI Genetics matches your unique DNA with 642,824 genetic markers
12 to both show you where your ancestors are from and also to pinpoint
13 precisely when they got there.”

14 31. Defendant’s claim that CRI’s DNA testing products and services are
15 more accurate and detailed than those of other companies on the market was
16 unsubstantiated at the time it was made because Defendant did not know, nor could
17 it have known, the size and composition of those companies’ DNA Reference
18 Datasets, or the margin of errors in those companies’ matching algorithms. This
19 information is guarded proprietary information for each company. Because
20 Defendant did not have access to this information, it could not have had a
21 reasonable basis for its claim of superior accuracy.

22 32. Defendant also could not establish each consumer’s ancestry with an
23 accuracy rate of 90 percent or more because the accuracy of ancestry estimations
24 for each consumer can vary considerably with their ancestries. These predictions
25 have different probabilities of errors in estimation, again depending on the
26 composition and size of the DNA Reference Dataset. Most ancestry estimations
27 are not nearly as accurate as 90 percent.
28

1 33. Finally, Defendant’s claim that its DNA ancestry tests can show
2 *exactly* when and where consumers’ ancestors were from dating back 50 or more
3 generations was unsubstantiated and false. DNA ancestry tests merely identify
4 variations in one’s genome and then those variations are algorithmically assigned
5 geographical areas based on statistical probabilities. Genes do not correspond to
6 exclusive geographical locations because human migration patterns over the
7 centuries were varied and wide. As a result, DNA ancestry tests alone cannot
8 precisely or exactly pinpoint when a particular person’s ancestors lived in a
9 particular geographical area. Such accuracy and detail of one’s ancestry can only
10 be achieved with in-depth genealogical research into one’s family history. Even
11 then there are difficulties estimating *exactly* where someone’s ancestors are from
12 and when they lived there, especially dating as far back as 50 or more generations.
13 In addition, CRI did not provide the genealogical tools for consumers to research
14 their actual families’ histories or migration patterns or to find relatives and
15 discover family relationships.
16

Defendant’s False Patent Claim

17 34. From 2017 to April 2021, Defendant also represented that its DNA
18 matching algorithm software was patented in advertisements that contained the
19 following statement and depiction:
20

21 **From www.crigenetics.com, (excerpts attached as Ex. A, p. A-4; Ex. B,**
22 **p. B-32; Ex. C, p. C-6; Ex. D, p. D-4):**

23 “We use patented DNA algorithms designed by renowned Molecular
24 Geneticist Alexei Fedorov, who was apprentice to Nobel Prize winning
25 scientist Walter Gilbert at Harvard University.”

26 35. In fact, Defendant never obtained a patent for its matching algorithm
27 or software.
28

1 **Failure To Disclose Defendant’s Material**
2 **Connection To Marketing Websites**

3 36. From 2017 to February 2021, Defendant purchased search
4 advertisements from Google and Bing that displayed textual links to websites that
5 Defendant owned and operated, including but not limited to, the websites
6 geneticsdigest.com and buyerranking.com. Consumers who entered search terms
7 in Google and Bing such as “DNA testing,” “genetic testing,” “Ancestry DNA,” or
8 “23andMe,” were shown, on the first page of the search results, Defendant’s search
9 ads, which claimed consumers would find ratings for the top choices for DNA
10 ancestry testing companies on Defendant’s websites.

11 **The Genetics Digest Website**

12 37. From 2017 until February 2021, consumers who clicked on the search
13 advertisements that linked to geneticsdigest.com were taken to a website depicting
14 a heading in large bold font titled “Genetics Digest,” which claimed to be the name
15 of the organization that owned the website.

16 38. The Genetics Digest website represented that it was an independent
17 and unbiased source of information for DNA testing and did not disclose that
18 Defendant’s principal owned the website and produced its content and, therefore,
19 Defendant had a material connection to the website. For example, the “About”
20 section of the website claimed that the website offered objective information with
21 phrases implying it was intended to help consumers decide which products “really
22 are the best” and “really are high quality:”
23

24 **From the landing page of geneticsdigest.com (excerpts attached as**
25 **Exhibit F (Dec. 17, 2020) (“Ex. F”), pp. F-8, 17, and 19; Exhibit G (Nov. 4,**
26 **2020) (“Ex. G”), p. G-9; Exhibit H (Feb. 23, 2021) (“Ex. H”), p. H-11):**
27
28

About

At Genetic Digest, we're consumers too and we want the best deals on the highest quality goods at the most reasonable prices as much as anyone else. When all of our senses are constantly bombarded with advertising at every moment of every day, it's hard to tell which deals really are the best and which products really are high quality.

39. The introductory “Welcome” section of the Genetics Digest website stated that Genetics Digest’s aim was “to provide credible, accurate information” and “unbiased product reviews for consumers looking to purchase anything related to the field of genetics,” as shown in the following statement and depiction:

From the “About” page of geneticsdigest.com (excerpts at Exhibit Ex. G, p. G-1):

Welcome to Genetics Digest.

Our goal is to provide credible, accurate information about the latest advancements in DNA analysis and genome technology. We have news alerts for scientists and DNA enthusiasts and unbiased product reviews for consumers looking to purchase anything related to the field of genetics, so that scientists and consumers can make educated decisions when studying DNA.

We are a team of writers and scientists who are passionate about all things DNA—from double helixes to chromosomes to mitochondrions, we love it all.

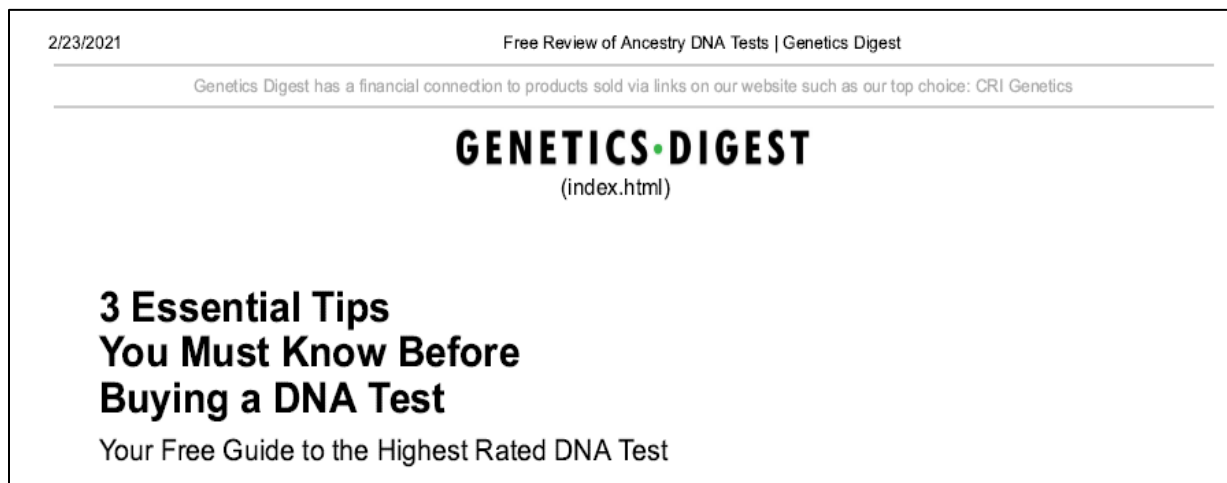
40. The “Terms and Conditions” page of the Genetics Digest website also stated that Genetics Digest was “an interactive online service . . . owned and operated by GeneticsDigest.com” that consists of “independent reviews and judgments based on our judgement [sic] of work of third party experts across multiple categories,” as shown in the following statement and depiction:

From the “Terms and Conditions” page of geneticsdisgest.com (excerpts at Ex. G, p. G-3):

1 GeneticsDigest.com is an interactive online service on the World Wide Web portion of the Internet, owned and operated by
2 GeneticsDigest.com. ("GeneticsDigest.com"), and consisting of independent reviews and evaluations based on our judgement of work of
3 third party experts across multiple categories, as well as presentations where consumers can obtain conclusions, recommendations, or
4 suggestions about what products or services are either 'best bets', 'top-rated', 'suggested', or in some way 'recommended', and rankings
5 of third party reviews and other information sources across multiple categories. "Content" means the evaluations, presentations, rankings,
6 reviews, other information, advertisements, chat room discussions, photos, video, graphics, music and sound contained on, distributed
7 through, linked, downloaded or accessed from any of the services contained on GeneticsDigest.com, whether such Content is owned by
8 GeneticsDigest.com or third parties. "User" means each person who establishes or accesses a connection for access and for use of
9 GeneticsDigest.com.

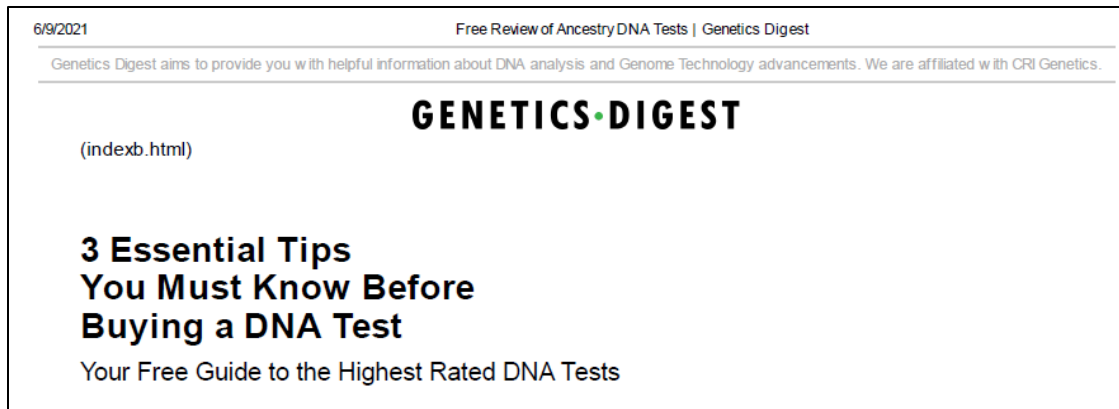
7 41. Sometime on or around February 2021, Defendant inserted in the
8 Genetics Digest website the statement that "Genetics Digest has a financial
9 connection to the products sold via links on our website such as our top choice:
10 CRI Genetics." The statement was placed at the top of the landing page of the
11 website, in very small print in light gray color, just above the title "**GENETICS**
12 **DIGEST,**" depicted as follows:

13 **From geneticsdigest.com (excerpts at Ex. H, p. H-1):**



23 42. Sometime on or around March 2021, Defendant replaced the prior
24 statement with the statement, "Genetics Digest aims to provide you with helpful
25 information about DNA analysis and Genome Testing advancements. We are
26 affiliated with CRI Genetics." This statement was similarly placed at the top of the
27 Genetics Digest landing page, with a much smaller font size to the title "Genetic
28 Digest" and in a very light gray color, depicted as follows:

1 **From geneticsdigest.com (excerpts attached at Exhibit I (June 9, 2021)**
2 **(“Ex. I”), p. I-1):**



3
4
5
6
7
8
9
10 43. Placing the statements above the title in much smaller size font and
11 much lighter color than the prominent title of the website made them likely to be
12 overlooked by consumers. Further, these statements did not disclose or adequately
13 disclose the true nature of Defendant’s material connection to the Genetics Digest
14 website. The disclosures only generally referenced CRI’s “financial connection
15 to” or “affiliation with” Genetics Digest, which did not adequately inform
16 consumers that, in fact, Defendant effectively owned and operated the Genetics
17 Digest website and that the reviews and ratings of the DNA ancestry companies
18 were not based on independent and unbiased research.

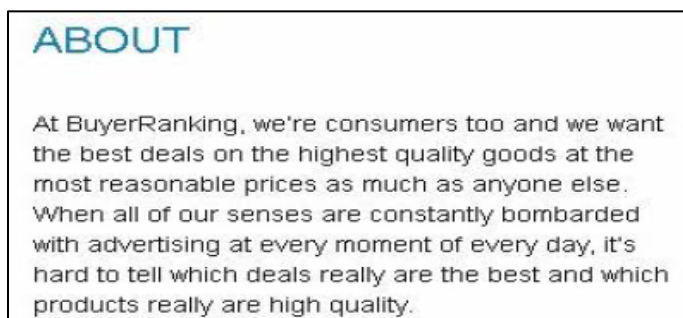
19
20 **The Buyer Ranking Website**

21 44. From at least 2018 until April 2021, consumers who clicked on the
22 search advertisements that linked to buyerranking.com were taken to a website
23 depicting a heading in large bold font titled “Buyer Ranking,” which claimed to be
24 the name of the organization that owned the website.

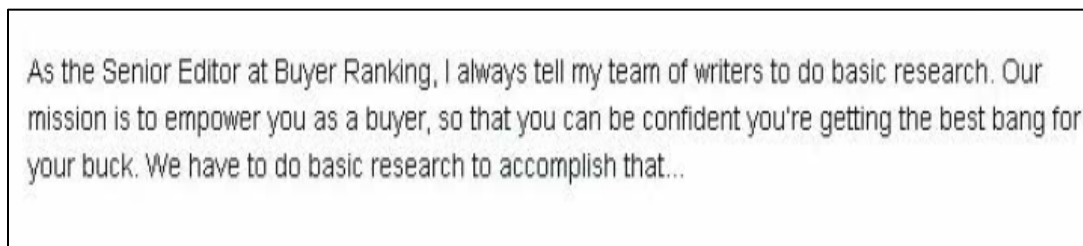
25 45. The Buyer Ranking website represented that it was an independent
26 and unbiased source for consumer information and did not disclose that Defendant
27 owned the website and produced its content and, therefore, had a material
28 connection to the website. Defendant made statements on Buyer Ranking claiming

1 that, “at BuyerRanking, we’re consumers too and we want the best deals on the
2 highest quality goods at the most reasonable prices as much as anyone else . . . it’s
3 hard to tell which deals are really the best and which products really are high
4 quality,” and suggesting that the website’s “mission” is to “empower” the
5 consumer “as a buyer” with “confidence” to get “the best bang for your buck,” as
6 shown in the following statements and depictions:

7 **From buyerranking.com “About” section (excerpts attached at Exhibit**
8 **J (Dec. 30, 2020) (“Ex. J”), p. J-11):**



15 **From buyerranking.com (excerpts at Ex. J, p. J-1):**



20 46. On or around April 2021, Defendant took down the Buyer Ranking
21 website.

22 **Misleading Reviews and Ratings**

23 47. From 2017 until February 2021, the Genetics Digest website provided
24 consumers with information about what to look for when choosing a DNA ancestry
25 testing company and mistakes to avoid. It also represented to consumers that the
26 Genetics Digest website provided independent and unbiased reviews and ratings of
27 DNA ancestry testing companies.
28

1 48. On the Genetics Digest website, the “editors” claimed to have
2 conducted unbiased and independent research of many of the DNA testing
3 companies on the market, stating that Genetic Digest’s “team of scientists,
4 researchers, and writers” have “examined nearly every test in the booming market”
5 to help consumers “sort out the great ones from the cheap knockoffs,” as shown in
6 the following statement:

7 **From the geneticsdigest.com landing page (excerpts at Ex. F, p. F-2; Ex.**
8 **G, p. G-10; Ex. H, pp. H-2 to H-3):**

9 **“Now it’s harder than ever to find a good DNA test . . .** Luckily, you’re in
10 the right place. Our team of scientists, researchers, and writers at Genetics
11 Digest know the field better than most. We’ve examined nearly every DNA
12 test in the booming market. We’ll help you sort out the great ones from the
13 ‘cheap knockoffs’” (emphasis in original).

14 49. The website then represented that, based on the purportedly
15 independent and unbiased research of Genetics Digest’s “team,” CRI’s DNA
16 ancestry testing was the top choice over the DNA testing companies, Ancestry
17 DNA and 23andMe.

18 50. In describing the attributes of Defendant’s DNA ancestry testing that
19 led to Genetic Digest’s top choice, the Genetics Digest website repeated the same
20 deceptive accuracy claims that appeared on the CRI website, including that CRI’s
21 DNA ancestry reports “are generated using a patented DNA analysis algorithm
22 created by Alexei Fedorov,” and that the reports have “a deeply detailed **Ancestry**
23 **Timeline** that shows you **where** your relatives are from and exactly **how and**
24 **when** they got there, going back over 50 generations” [emphasis in original], as
25 shown in the following statement and depiction:
26

27 **From geneticsdigest.com (excerpts at Ex. F, p. F-5; Ex. H, p. H-8):**
28


Details/Accuracy of Reports:

CRI Genetics currently offers **5 unique ancestry reports** that are generated using a patented DNA analysis algorithm created by Alexei Fedorov. Your report features not only a basic geographical breakdown of your ancestry, but also a deeply detailed **Ancestry Timeline** that shows you **where** your relatives are from and exactly **how and when** they got there, going back over 50 generations. It's this commitment to detail that makes CRI Genetics our top choice. See Full Report Here (crigenetics.html)

51. The Genetics Digest website also represented that CRI had an “Overall Rating: Excellent” and a star rating of “4.9/5” stars, outranking the star ratings for 23andMe and AncestryDNA. The article also claimed that the “cons” of CRI’s testing are that the tests are “Frequently Backordered” and that some tests are “not always available,” leading consumers to believe that CRI’s tests were in high demand and therefore hard to get, which was not the case. These representations are shown in the following statements and depictions:

From geneticsdigest.com (excerpts at Ex. F, p. F-4; see also Ex. G, p. G-11; Ex. H, pp. H-7 to H-8):

Our Top Choice

 **CELLULAR RESEARCH INSTITUTE** (crigenetics.html)
CRIGENETICS (crigenetics.html)

#1 Top DNA Test: CRI Genetics

Pros:

- Privately Owned
- Patented DNA Analysis Technology
- Autosomal, mtDNA, and Y-DNA Tests Offered
- Headed by Legitimate Professional Geneticist
- "Efficiency Guarantee" Return Policy

Cons:

- Frequently Backordered
- mtDNA and Y-DNA Tests not always available

★★★★★ 4.9/5
Overall Rating: Excellent

See Details (crigenetics.html)

52. Defendant did not disclose the source of the star ratings on the website but, instead, implied that the star ratings were generated from the independent and

1 unbiased actual product testing and research of the writers of the article. In fact,
2 the star ratings were not based on the independent and unbiased actual product
3 testing and research of the writers of Genetics Digest.

4 53. From 2018 until April 2021, the Buyer Ranking website also claimed
5 that it provided consumers with information about what to look for when choosing
6 a DNA ancestry testing company. The Buyer Ranking website represented to
7 consumers that it provided independent and unbiased reviews and ratings of DNA
8 ancestry testing companies.

9 54. On the Buyer Ranking website, the editors claimed to help consumers
10 who were “lost in the market” to find their way, representing that the review was
11 independent and unbiased because Buyer Ranking “sampled DNA tests from 12
12 different companies” and “analyzed them to see which ones accomplish the
13 benefits listed” on the website, as shown in the following depiction and statements:
14

15 **From buyerranking.com (excerpts at Ex. J, p. J-3):**

16 **Lost in the market? We'll help you find your**
17 **way...**

18 With the DNA market booming the way it is, it can be hard to decide which test to try, especially when
19 more and more new companies are popping up and everyone claims to be the best.
20

21 **From buyerranking.com (excerpts at Ex. J, p. J-5):**

22 **Here's how we determined our rankings:**

23 My team and I sampled DNA tests from 12 different companies. We analyzed them to see which
24 ones accomplish the benefits listed above the best.
25
26

27 55. The Buyer Ranking website further represented that its research
28 “team” called the DNA testing companies’ customer services pretending to be

1 confused consumers and presenting various problems and questions to see “how
2 responsive, friendly, patient, and helpful they were,” as shown in the following
3 depiction and statements:

4 **From buyerranking.com (excerpts at Ex. J, p. J-6):**

5 **Customer Service** - This is the most fun part of our review. We call and email each company's
6 customer service team with various problems and questions, often where we pretend to be very
7 confused. We scored each company by how responsive, friendly, patient, and helpful they were.

8 56. The article then represented that, based on this purportedly
9 independent and unbiased research, Defendant’s DNA ancestry testing was the
10 “Top Recommended DNA Testing Service” over the DNA testing companies
11 Family Tree DNA and Living DNA. In describing the attributes of Defendant’s
12 DNA ancestry testing that led to the Buyer Rankings top choice, the website
13 repeated the same deceptive claims that appear on Defendant’s website,
14 representing that Defendant has a “Patented DNA Analysis Technology” and that
15 Defendant’s DNA ancestry reports provided consumers with “VERY Detailed
16 Genetic Information” and, as shown in the above depiction, Buyer Ranking also
17 represented that CRI had a star rating of “4.7/5” stars, with the “cons” again listed
18 as products “Frequently Out of Stock” and certain tests “not always available,” as
19 shown in the following statement and depiction:
20

21 **From buyerranking.com (excerpts at Ex. J, pp. J-6 to J-7):**

22 **Our Top Recommended DNA Testing Services**

23 **CRI Genetics** 1
24 ★★★★★ 4.7/5 Stars

25 **Pros:**

- ✓ Patented DNA Analysis Technology
- ✓ ALL DNA tested (no limits by gender)
- ✓ VERY Detailed Genetic Information
- ✓ Advanced Security Measures
- ✓ Return Policy

26 **Cons:**

- ✗ Frequently Out of Stock
- ✗ mtDNA and Y-DNA Tests not always available

27 [See Details](#)

28 

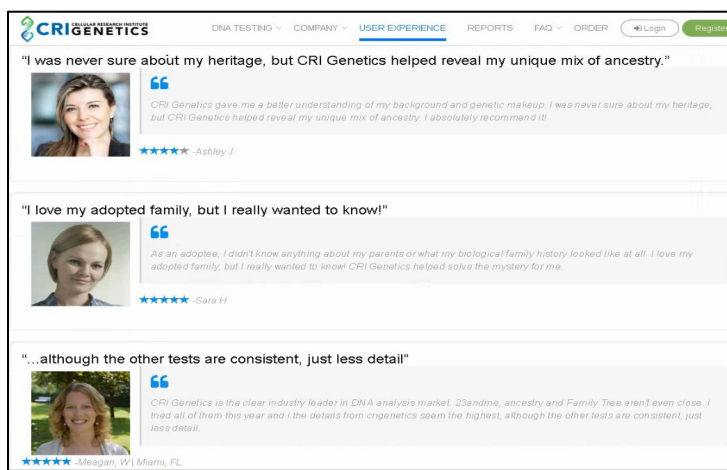
1 57. Defendant did not disclose the source of the star ratings on the
 2 website. Instead, Defendant implied that the star ratings were generated from the
 3 independent and unbiased product testing and research of the writers of the article.
 4 In fact, the star ratings were not based on the independent and unbiased product
 5 testing and research of the writers of the article.

6 **False Or Misleading Endorsement Claims**

7 58. From 2017 until sometime around April 2021, Defendant's website
 8 homepage and Facebook page also prominently displayed over a dozen
 9 endorsements from consumers who claimed they had used Defendant's DNA
 10 testing products and services and were satisfied. These endorsements purportedly
 11 reflected the independent experiences and opinions of impartial ordinary users of
 12 Defendant's DNA testing products and services.

13 59. These endorsements were accompanied with photos of the purported
 14 endorsers, their first names and last initials, and a star rating of the endorsers'
 15 purported experience with CRI, indicating that they were highly satisfied. For
 16 example, Defendant's website, crigenetics.com, and Facebook page prominently
 17 displayed the following endorsements, among others:
 18

19 **From www.crigenetics.com, (excerpts attached at Exhibit K (Nov. 18,**
 20 **2020) ("Ex. K"), p. K-3):**



1 60. These consumer endorsements posted on the CRI Website and on
2 CRI's Facebook page were completely fabricated. Defendant paid a third party to
3 write them. Further, the accompanying photos were not photos of Defendant's
4 customers. As such, these endorsements did not reflect the independent
5 experiences and opinions of impartial ordinary users of Defendant's DNA testing
6 products and services.

7 61. In 2020, Defendant also produced and posted a video on the CRI
8 Website and CRI's Facebook page, and through advertisements placed throughout
9 the Internet. The video purported to reflect the independent experience and
10 opinion of an impartial ordinary user of Defendant's DNA testing products and
11 services named Wayne, who claimed to be a Native American who tested his DNA
12 with CRI and discovered that he has the oldest DNA found in America. At the end
13 of the video, Wayne endorsed CRI's DNA ancestry tests and reports and provided
14 a link to CRI's website. (A link to the video can be found at
15 <https://www.crigenetics.com/fb/vsl-wayne>). The video of Wayne was widely
16 disseminated.
17

18 62. In fact, this video does not reflect the independent experience and
19 opinion of an impartial ordinary user of Defendant's DNA testing products and
20 services. Defendant wrote and produced the video and hired a paid actor to play
21 the role of Wayne. Wayne is a fictional character whose "experience" with DNA
22 testing is loosely based on one of Defendant's customers, who did not provide
23 Defendant with an endorsement or cooperate in making the video. Defendant did
24 not disclose or adequately disclose in the video that Wayne was a fictional
25 character or that the video was a paid advertisement.
26

Defendant's Deceptive Website Billing Practices

27 63. Consumers who choose to purchase one of Defendant's DNA testing
28 packages must click on one of the two packages Defendant offers on the CRI

1 Website to make the purchase. Once consumers select and click on their desired
2 package, they are prompted to enter and submit their personal and payment
3 information. The website ordering page did not disclose that when consumers
4 entered their payment information that they would be charged immediately for
5 each item selected for purchase and that the order for that item was final.

6 64. After consumers entered and submitted their personal and payment
7 information, Defendant's website offered several additional products or services
8 for purchase. These additional products and services appeared serially as pop-up
9 pages. Consumers had to click through as many as five of these offers for
10 additional products and services and either decline or purchase each one before
11 moving on in the ordering and purchasing process. As described below, Defendant
12 used numerous deceptive marketing techniques, known as "dark patterns," to push
13 consumers into purchasing additional products and services.

14 65. Since 2017 until at least June 2021, Defendant represented on each
15 pop-up page offering additional products and services that consumers' orders were
16 not complete and that consumers would have an opportunity to view a final
17 confirmation page and change their selections before being charged.

18 66. Each pop-up page prominently displayed a box with a yellow "Wait!"
19 symbol and notified consumers that "Your order is not complete." Each pop-up
20 page also prominently displayed a graphic depiction of the ordering process above
21 this notification using a bar with arrows indicating that the consumer was at "Step
22 Two PRODUCT OPTIONS" of a three-step process, "Step Three" being a
23 "FINAL CONFIRMATION." Each additional product or service was
24 characterized as a "Special Reward" that the consumer had been "chosen" to
25 receive that is a "one-time special offer." The following example of a pop-up page
26 from the CRI Website shows these statements and depictions:
27
28

1 From crigenetics.com (excerpts attached as Exhibit L (June 30, 2021)
2 (“Ex. L”), at p. L-6):

3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

CRIGENETICS CELLULAR RESEARCH INSTITUTE

PayPal VISA MasterCard DISCOVER

Questions? 1-800-571-9216

✓ STEP 1 ORDER APPROVED STEP 2 PRODUCT OPTIONS STEP 3 FINAL CONFIRMATION

Your order is not complete
Do not hit the "Back" button as it can lead to a multiple charge on your card

Congratulations!
You've been chosen for a **SPECIAL REWARD.**

Hi. I'm Alexei Fedorov, Chief Scientific Officer at CRI Genetics.

I wanted to take a quick moment to welcome you to the CRI Genetics Community!

I'm very excited for you to learn all the interesting new things about your family history that you may not have known before...

There are very few things more important in life than knowing who you are and where you come from. It's what makes you, well, you!

There might be even MORE I can tell you outside of your Ancestry Reports that I can only give to 1 out of every 100 customers...

Take a look at this **ONE-TIME SPECIAL OFFER:**

Add a Maternal Haplogroup Report to your order
for **15% OFF!**

19 67. Consumers were required to scroll to the bottom of each pop-up page
20 to either click on a bright orange button stating, “YES I WANT THIS SPECIAL
21 ADDED TO MY ORDER,” or click on a less prominent and gray smaller print
22 button stating, “NO THANKS, I UNDERSTAND THAT I WON’T SEE THIS
23 OFFER AGAIN,” to advance through the ordering process. Consumers were also
24 falsely told that “9.1 out of 10 choose this option.” These statements and depictions
25 appeared on CRI’s website as follows:
26
27
28

1
2 **From crigenetics.com (excerpts at Ex. L, p. L-7):**

3
4
5
6
7
8
9
10
11
12
13



REGULAR PRICE: ~~\$97~~
SALE PRICE: \$82.45
YOU SAVE: \$14.55

Click on the button below to upgrade your purchase to include the **mtDNA Test** and **Save \$14.55** (only \$82.45 for this extra report!)

YES I WANT THIS SPECIAL ADDED TO MY ORDER

(9.1 out of 10 customers choose this option)
or
No, I understand I will never see this offer again.

NO THANKS, I UNDERSTAND THAT I WON'T SEE THIS OFFER AGAIN

At Celluar Research Institute (CRI Genetics), we want to partner with you and help you stay healthy through your life.

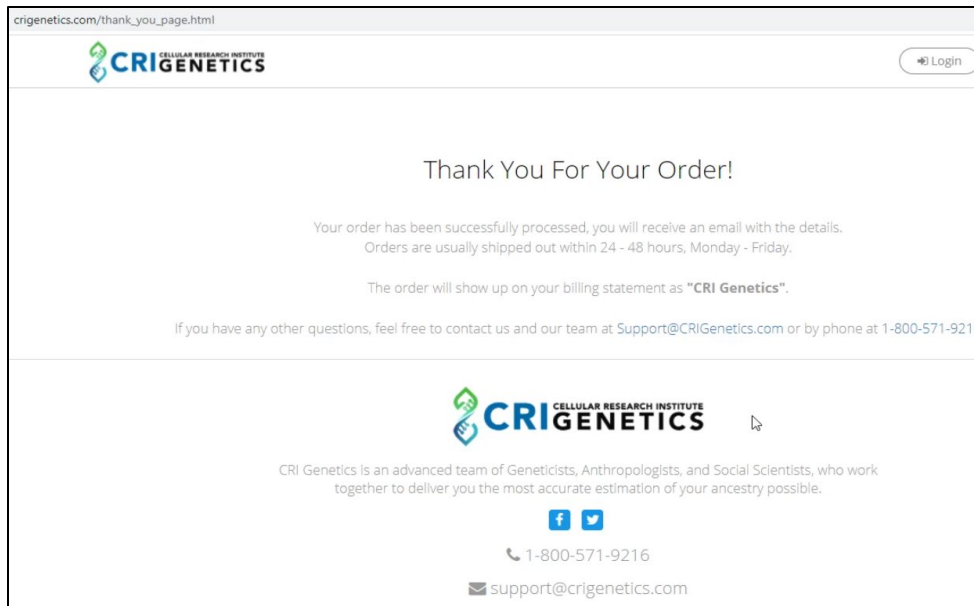
14 68. These statements and depictions on each pop-up page represented to
15 consumers that they had not completed their orders and would have an opportunity
16 to view a final confirmation page where they could edit the items selected and
17 complete their orders before charges for payment were submitted.

18 69. As depicted in Paragraph 67 above, each pop-up page also warned
19 consumers to “not hit the ‘Back’ button as it can lead to a multiple charge on your
20 card” [sic] just below the prominent statement that “Your order is not complete.”
21 This tactic dissuaded consumers from backing out of the pop-up pages if they
22 mistakenly chose one of the offers or changed their mind about the selection.

23 70. After consumers finished clicking through each of the pop-up pages,
24 they were not taken to a final confirmation page where they could review and edit
25 their selections. Instead, they were presented with a final page stating, “Thank
26 You For Your Order! Your order has been successfully processed, you will
27 receive an email with the details,” as shown in the following depiction and
28

1 statements:

2 **From crigenetics.com (excerpt at Ex. L, p. L-32):**



13 71. Contrary to Defendant's representations that consumers' orders were
14 not complete and could be reviewed and edited, consumers were immediately
15 charged for each selection and did not have an opportunity to review and change or
16 delete their selections on a final confirmation page. Defendant did not disclose or
17 adequately disclose on any of the pop-up pages to consumers that charges for each
18 item selected would immediately be submitted. As a result, many consumers
19 ended up with unwanted charges for which they had to go through Defendant's
20 refund process to recoup.

21

22 72. In June 2021, after learning about the FTC's investigation, Defendant
23 revised this ordering process on the CRI Website. Consumers were still required
24 to select a package and enter their personal and payment information before
25 proceeding through the pop-up pages for additional products and services. The
26 website ordering page still did not disclose that when consumers entered their
27 payment information that they would be charged immediately for each item
28 selected for purchase and that each order would be final.

73. On each of the revised website's pop-up pages, the graphic arrow depicted a two-step ordering process, with "Step 2" the point in the ordering process when consumers "REVIEW OPTIONAL ADD-ONS," representing to consumers that their orders were not complete. The arrow graphic no longer showed a "Step 3" final confirmation. The revised website also continued to warn consumers to not hit the "Back" button, but then explained that if consumers hit the "Back" button, they "cannot get back to this page once you leave," implying that consumers may interrupt the ordering process if they tried to back out of the page, further manipulating them to continue with the ordering process. An example of a revised additional offer page on the CRI website showed the following statements and depictions:

From www.crigenetics.com (excerpts attached as Exhibit M (Mar. 16, 2022) ("Ex. M"), p. M-7):

The screenshot shows a website header for CRI GENETICS (CELLULAR RESEARCH INSTITUTE) with logos for PayPal, VISA, MasterCard, American Express, and DISCOVER. A progress bar indicates "STEP 1 YOUR ORDER IS APPROVED" and "STEP 2 REVIEW OPTIONAL ADD-ONS". A central pop-up box contains a "Wait!" icon and the text: "Personalize today's purchase with an optional add-on... Please do not hit the 'Back' button as you cannot get back to this page once you leave." Below the pop-up, a message reads: "Congratulations on beginning your journey with CRI Genetics! There's a way to make your experience **EVEN MORE SPECIAL.**"

74. Consumers still had to review each pop-up page and scroll to the bottom either to add an additional item to their order or to select not to add the item

1 to their order to move through the ordering process. However, at the bottom of
 2 each pop-up page of the revised CRI website, a box was displayed showing an
 3 itemization of each item the consumer selected thus far, the quantity and the price
 4 of the item, and a “subtotal” of charges. Next to each item selected was a trashcan
 5 icon, which commonly indicates that the item next to the icon can be deleted if
 6 clicked. The trashcan icon in CRI’s summary of charges box led consumers to
 7 believe that they could delete an item before the order became final and a charge
 8 for that item was submitted for payment. An example of the ordering buttons and
 9 the summary box with the trashcan icons that appeared on each pop-up page is
 10 shown in the following statements and depictions from the CRI Website:

11 **From www.crigenetics.com (excerpts at Ex. M, pp. M-17 to M-18):**

12

13 Click the button below to upgrade your purchase to include the **Celebrity Haplogroup Report** for an additional \$9.99 (**Save \$10.00** on this extra report!)

14 **YES, I WANT TO ADD A FAMOUS PEOPLE REPORT TO MY ORDER FOR AN ADDITIONAL \$9.99**

15 (Yes, I want to see which Famous People I share DNA with!)

16 or

17 No, I decline your offer to upgrade my purchase.

18 **NO, I DO NOT WANT TO ADD A FAMOUS PEOPLE REPORT TO MY ORDER**

19

20 **Order Contents:**

Item(s)	Qty	Price	
DNA Collection Kit Ancestry Analysis + Health & Wellness Reports - Save 55% - \$89	1	\$89.00	🗑️
DNA Analysis for mtDNA - Maternal Haplogroup	1	\$82.45	🗑️
Subtotal		\$171.45	

25

26 75. In fact, when consumers clicked on the trashcan icon next to an item,
 27 the item could not be deleted on any of the pop-up pages. Once consumers
 28 completed viewing and clicking through the additional pop-up pages, they received

1 a final summary of charges without the trashcan icons shown next the item. The
 2 final summary included a message stating, “Thank you for your order!” The
 3 following is an example of the revised website page showing the statement and
 4 depiction of the final summary:

5 **From crigenetics.com (excerpts at Ex. M, p. M-36) (redacted for SPII):**

Thank You For Your Order!

Order Id: CRIG- [REDACTED]
 Order Date: 16 MAR 2022 [REDACTED]

Ship To
 Name: [REDACTED]
 Address: [REDACTED]
 City: [REDACTED]
 State: [REDACTED]
 Zip: [REDACTED]
 Country: [REDACTED]
 Email: [REDACTED]

Item	Quantity	Description	Amount
GG-IDX-AHW-89	1	DNA Collection Kit Ancestry Analysis + Health & Wellness Reports - Save 55% - \$89	89.00
DNAANALYSISMT	1	DNA Analysis for mtDNA - Maternal Haplogroup	82.45
Subtotal			171.45
Tax Rate			10.75%
Tax			18.43
Shipping/Handling			10.87
Total			\$200.75

23 76. Contrary to the representations that consumers’ orders had not been
 24 completed and they could delete selections by clicking on the trashcan icons,
 25 Defendant continued to immediately submit charges for consumers’ selections
 26 without permitting them to delete an item before the charge for that item was
 27 submitted for payment. Nor did Defendant disclose or adequately disclose
 28

1 anywhere on the website before consumers selected items that, once selected, the
2 selection would be final and payment would be immediately processed.

3 77. As a result, consumers who mistakenly or inadvertently selected
4 products or services or who changed their minds after selecting them, were
5 required to seek refunds through Defendant's refund process to recoup these
6 unwanted charges.

7 78. Based on the facts and violations of law alleged in this Complaint, the
8 FTC has reason to believe that Defendant has violated or is about to violate laws
9 enforced by the Commission because, among other things, Defendant engaged in
10 the unlawful conduct over a period of four years, willfully and knowingly, despite
11 having knowledge of hundreds of consumer complaints and refund requests, as
12 well as inquiries by the Better Business Bureau regarding their deceptive practices
13 and only ceased its unlawful activities after the FTC notified Defendant of its
14 pending investigation.
15

16 **VIOLATIONS OF THE FTC ACT**

17 79. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits "unfair or
18 deceptive acts or practices in or affecting commerce."

19 80. Misrepresentations or deceptive omissions of material fact constitute
20 deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

21 81. Acts or practices are unfair under Section 5 of the FTC Act if they
22 cause or are likely to cause substantial injury to consumers that consumers cannot
23 reasonably avoid themselves and that is not outweighed by countervailing benefits
24 to consumers or competition. 15 U.S.C. § 45(n).

25 **Count I**

26 **False or Unsubstantiated Claims Regarding DNA Testing**

27 **Products and Services and Algorithm Software**

28 82. In numerous instances in connection with the advertising, marketing,

1 promotion, offering for sale, or sale of DNA testing products and services,
2 including through the means described in Paragraphs 26 through 35 and
3 Paragraphs 50-53 and 56-57, Defendant has represented, directly or indirectly,
4 expressly or by implication, that Defendant's DNA testing products and services:

- 5 A. Are the most accurate and detailed DNA testing products and services
6 available on the market;
- 7 B. Will show consumers' ancestry with an accuracy rate of over 90 percent;
- 8 C. Will show exactly where consumers' ancestors came from and exactly
9 when they arrived there extending back over 50 or more generations; and
- 10 D. Are generated from a patented algorithm software.

11 83. The representations set forth in Paragraph 82 are false and misleading
12 and were not substantiated at the time the representations were made.

13 84. Therefore, the making of the representations as set forth in Paragraph
14 82 constitutes a deceptive act or practice in or affecting commerce, in violation of
15 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

17 **Count II**

18 **Failure to Disclose Material Connections to Marketing Websites**

19 85. In numerous instances, in connection with the advertising, marketing,
20 promotion, offering for sale, or sale of DNA testing products and services,
21 including through the means described in Paragraphs 36 through 57, Defendant has
22 represented, directly or indirectly, expressly or by implication, that
23 geneticsdigest.com and buyerranking.com provided consumers with independent
24 and unbiased research, ratings, and information related to genetics testing and
25 DNA ancestry testing companies.

26 86. In numerous instances in which Defendant has made the
27 representations set forth in Paragraph 85, Defendant has failed to disclose or
28 disclose adequately to consumers that Defendant has a material connection to the

1 websites geneticsdigest.com and buyerranking.com. This additional information
2 would be material to consumers in deciding to purchase the DNA testing products
3 and services that Defendant advertises, markets, promotes, offers for sale, or sells.

4 87. In light of the representation described in Paragraph 85, Defendant's
5 failure to disclose or disclose adequately the material information as set forth in
6 Paragraph 86 constitutes a deceptive act or practice in violation of Section 5(a) of
7 the FTC Act, 15 U.S.C. § 45(a).

8 **Count III**

9 **False or Unsubstantiated DNA Testing Product and Service Ratings**

10 88. In numerous instances in connection with the advertising, marketing,
11 promotion, offering for sale, or sale of DNA testing products and services,
12 including through the means described in Paragraphs 36 through 57, Defendant has
13 represented, directly or indirectly, expressly or by implication, that the websites
14 geneticsdigest.com and buyerranking.com provide consumers with independent
15 unbiased research, ratings, and information related to DNA testing and testing
16 companies and their products and services, including Defendant's DNA testing
17 products and services.
18

19 89. The representation set forth in Paragraph 88 is false and misleading
20 and were not substantiated at the time the representations were made.

21 90. Therefore, the representation as set forth in Paragraph 88 constitutes a
22 deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C.
23 § 45(a).

24 **Count IV**

25 **False or Misleading Endorsements**

26 91. Through the means described in Paragraphs 58 through 62, Defendant
27 has represented, directly or indirectly, expressly or by implication, that certain
28 reviews and testimonials of Defendant's DNA testing products and services on

1 Defendant's websites and social media reflected the independent experiences and
2 opinions of impartial ordinary users of Defendant's DNA testing products and
3 services.

4 92. In fact, numerous reviews of Defendant's DNA testing products and
5 services on Defendant's websites and social media did not reflect the independent
6 experiences and opinions of impartial ordinary users of Defendant's DNA testing
7 products and services because they are not real purchasers or users of the products
8 and services. Therefore, the representation as set forth in Paragraph 91 is false and
9 misleading in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

10 **Count V**

11 **Deceptive Billing Practices**

12 93. Through the means described in Paragraphs 63 through 77, Defendant
13 has represented, directly or indirectly, expressly or by implication, that when
14 consumers select products and services for purchase on Defendant's website,
15 consumers' orders are not final and payment for the items selected will not be
16 submitted until after consumers can confirm, edit, or delete their selections on a
17 final confirmation page.
18

19 94. In fact, when consumers selected products and services for purchase
20 on Defendant's website, consumers' orders were final and payment for the items
21 selected was submitted before consumers could confirm, edit, or delete their
22 selections on a final confirmation page. As result, in numerous instances,
23 consumers were forced to seek a refund from Defendant for unwanted charges.

24 95. Therefore, the making of the representation as set forth in Paragraph
25 93 constitutes a deceptive act or practice in or affecting commerce, in violation of
26 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).
27
28

Count VI

Failure to Disclose Immediate Charges

1
2
3 96. Through the means described in Paragraphs 63 through 77, Defendant
4 has represented, directly or indirectly, expressly or by implication, that when
5 consumers select products and services for purchase on Defendant’s website,
6 consumers’ orders are not final and payment for the items selected will not be
7 submitted until after consumers can confirm, edit, or delete their selections on a
8 final confirmation page.

9 97. In numerous instances in connection with this representation,
10 Defendant failed to disclose, or disclose adequately, that when consumers selected
11 products and services for purchase on Defendant’s website, consumers’ orders
12 were final and payment for the items selected was submitted before consumers
13 could confirm, edit, or delete their selections on a final confirmation page.

14 98. Defendant’s failure to disclose the material information described in
15 Paragraph 97, in light of the representation described in Paragraph 96, constitutes a
16 deceptive act or practice, in or affecting commerce, in violation of Section 5(a) of
17 the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF CALIFORNIA LAW

Count VII

Untrue or Misleading Advertising

20
21
22 99. Plaintiff California alleges and incorporates by reference Paragraphs 1
23 through 98 above as though fully set forth herein.

24 100. Defendant has engaged in, aided and abetted, and conspired to engage
25 in acts or practices that constitute violations of Business and Professions Code §
26 17500 *et seq.*, by making or disseminating, or causing to be made or disseminated,
27 false or misleading statements with the intent to induce members of the public to
28 purchase Defendant’s services or products when Defendant knew, or by the

1 exercise of reasonable care should have known, that the statements were false or
2 misleading.

3 101. Defendant's false or misleading statements include, but are not limited
4 to, the following:

5 A. False or misleading claims regarding DNA testing products and
6 services and algorithm software in CRI branded websites, apps, social media
7 pages, advertisements, and other promotional materials;

8 B. False or misleading reviews, rankings, comparisons, and similar
9 promotional efforts regarding CRI's products and services on purportedly
10 independent websites owned, controlled, and/or operated by Defendant;

11 C. False or misleading reviews and testimonials by purported customers;
12 and

13 D. False or misleading statements and user experiences in connection
14 with ordering and paying for Defendant's products and services.
15

16 **Count VIII**

17 **Unlawful, Unfair, and/or Fraudulent Business Practices**

18 102. Plaintiff The People of the State of California alleges and incorporates
19 by reference Paragraphs 1 through 101 above as though fully set forth herein.

20 103. Defendant has engaged in, aided and abetted, and conspired to engage
21 in acts or practices that are unlawful, unfair, or fraudulent, and which constitute
22 unfair competition within the meaning of Business and Professions Code § 17200.

23 These acts or practices include, but are not limited to, the following:

24 A. Defendant has violated Section 5(a) of the FTC Act, 15 U.S.C.
25 § 45(a), as alleged above;

26 B. Defendant has violated Business and Professions Code § 17500 *et*
27 *seq.*, as alleged in Count VII above;

28 C. Defendant has violated the California Consumer Legal Remedies Act,

1 California Civil Code § 1770 (5), by representing that its goods or services
2 have sponsorship, approval, characteristics, ingredients, uses, benefits, or
3 quantities that they do not have;

4 D. Defendant has violated the California Consumer Legal Remedies Act,
5 California Civil Code § 1770(7), by representing that its goods or services are of a
6 particular standard, quality, or grade, when they are of another; and

7 E. Defendant has violated the California Consumer Legal Remedies Act,
8 California Civil Code § 1770(9), by advertising goods or services with intent not to
9 sell them as advertised.

10 **CONSUMER INJURY**

11 104. Consumers have suffered and will continue to suffer substantial injury
12 as a result of Defendant's violations of the FTC Act, California's Unfair
13 Competition Law, and California's False Advertising Law. Absent injunctive
14 relief by this Court, Defendant is likely to continue to injure consumers and harm
15 the public interest.

16 **PRAYER FOR RELIEF**

17 Wherefore, Plaintiffs request that the Court:

18 A. Enter a permanent injunction to prevent future violations of the FTC
19 Act by Defendant;

20 B. Pursuant to California's Business and Professions Code section
21 17535, that Defendant, along with Defendant's successors, agents, representatives,
22 employees, and all persons who act in concert with Defendant, be permanently
23 enjoined from making any false or misleading statements in violation of Business
24 and Professions Code section 17500 as alleged in this Complaint;

25 C. Pursuant to California's Business and Professions Code section
26 17203, that the Court enter all orders necessary to prevent Defendant, as well as
27 Defendant's successors, agents, representatives, employees, and all persons who
28

1 act in concert with Defendant from engaging in any act or practice that constitutes
2 unfair competition in violation of Business and Professions Code section 17200;

3 D. Pursuant to California's Business and Professions Code section
4 17203, that the Court enter all orders or judgments as may be necessary to restore
5 to any person in interest any money or other property that Defendant may have
6 acquired by violations of Business and Professions Code section 17200, as proved
7 at trial;

8 E. Pursuant to California's Business and Professions Code section
9 17536, that the Court assess a civil penalty of two thousand five hundred dollars
10 (\$2,500) against Defendant for each violation of Business and Professions Code
11 section 17500, as proved at trial;

12 F. Pursuant to California's Business and Professions Code section
13 17206, that the Court assess a civil penalty of two thousand five hundred dollars
14 (\$2,500) against Defendant for each violation of Business and Professions Code
15 section 17200, as proved at trial;

16 G. Pursuant to California's Business and Professions Code section
17 17206.1, subdivision (a), that the Court assess, in addition to any penalties assessed
18 under Business and Professions Code sections 17206 and 17536, a civil penalty of
19 two thousand five hundred dollars (\$2,500) against Defendant for each violation of
20 Business and Professions Code section 17200 perpetrated against senior citizens or
21 disabled persons, as proved at trial;

22 H. That Plaintiffs recover their costs of suit; and

23 I. For such other and further relief that the Court deems just and proper.
24
25

26 Respectfully submitted,

27 Dated: November 20, 2023

28 s/Nadine S. Samter
NADINE S. SAMTER

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

KATHARINE BARACH
Federal Trade Commission
915 Second Avenue, Ste. 2896
Seattle, WA 98174
Tel: (206) 220-6350
Samter Work Cell (202) 725-4585

CARLA L. CHEUNG
Federal Trade Commission
10990 Wilshire Blvd., Suite 400
Los Angeles, CA 90024
Tel: (310) 824-4300/Cell: (202) 644-6785
Fax: (310) 824-4318

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

Dated: Nov. 20 , 2023

ROB BONTA
Attorney General of California
NICKLAS A. AKERS
Senior Assistant Attorney General
JUDITH FIORENTINI
Supervising Deputy Attorney General

MICAH C.E. OSGOOD
Deputy Attorney General
MICHELLE BURKART
Deputy Attorney General

California Department of Justice
455 Golden Gate Ave. Suite 11000
San Francisco, CA 94102
(415) 510-44002
mike.osgood@doj.ca.gov

Attorneys for Plaintiff
PEOPLE OF THE STATE OF
CALIFORNIA

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28