FTC Sues Utah-based Company for Falsely Claiming Its Nasal Sprays Can Prevent and Treat COVID-19

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Agency seeks monetary penalties from Xlear, Inc. under COVID-19 authority

The Federal Trade Commission sued Xlear, Inc., a Utah-based company, for violating the COVID-19 Consumer Protection Act, alleging that it falsely pitched its saline nasal sprays as an effective way to prevent and treat COVID-19.

In its lawsuit against Xlear, Inc. and its owner, the FTC is asking a federal court to impose monetary penalties on the defendants and bar them from continuing to make such false and unsupported claims. The complaint was filed by the Department of Justice on the FTC's behalf.

"Companies can't make unsupported health claims, no matter what form a product takes or what it supposedly prevents or treats," said Samuel Levine, Director of the FTC's Bureau of Consumer Protection. "That's the lesson of this case and many others like it, and it's why people should continue to rely on medical professionals over ads."

Xlear, Inc. sells products including nasal sprays, dental care products, and sweeteners. The company's nasal sprays marketed under the Xlear Sinus Care brand contain, among other things, xylitol and grapefruit seed extract. Xlear sells these sprays on Amazon.com and through retailers like Rite-Aid, CVS, Walgreens, and Target.

According to the complaint, since at least March 2020, Xlear and its founder and president, Nathan Jones, have promoted Xlear nasal sprays by falsely claiming they provide four hours of protection against infection from the coronavirus and therefore are "a simple, safe, and cheap option that could be an effective solution to the pandemic." The defendants have made these and similar allegedly false and unsubstantiated claims on websites, Facebook, Instagram, and YouTube, and through appearances on podcasts and sponsored spots on local television news.

In reality, the company has conducted no clinical trials to support its COVID-related claims and its advertising grossly misrepresented the purported findings and relevance of several scientific studies, according to the FTC. The agency's staff sent Xlear and Jones a warning letter in July 2020. The defendants promised to remove the claims from their website and other platforms, but then continued making them, according to the complaint.

The Commission vote to refer the civil penalty complaint to the DOJ for filing was 4-0-1, with Chair Lina M. Khan not participating. The DOJ filed the complaint in the U.S. District Court for District of Utah.

NOTE: The Commission files a complaint when it has "reason to believe" that the named defendants are violating or are about to violate the law and it appears to the Commission that a proceeding is in the public interest. The case will be decided by the court.

The Federal Trade Commission works to promote competition, stop deceptive and unfair business practices and scams, and educate consumers. Report fraud, scams, or bad business practices at ReportFraud.ftc.gov. Get consumer advice at consumer.ftc.gov. Also, follow the FTC on social media, subscribe to press releases, and read the FTC's blogs.

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