

IN THE MATTER OF

AMERICAN LIFE NUTRITION, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 AND SEC. 12 OF THE FEDERAL TRADE COMMISSION ACT

Docket C-3310. Complaint, Oct. 18, 1990—Decision, Oct. 18, 1990

This consent order prohibits, among other things, the New York based wholesale distributors of dietary food supplements from making false and unsubstantiated health efficacy claims for any food or drug in the future. In addition, it requires the respondents to publish retractions of previous advertising claims for certain bee pollen, royal jelly, fish oil, and vitamin or mineral products, that were published, between December 1, 1987 and December 1, 1988, in newspapers and magazines, and to send corrective notices to past wholesale and retail purchasers.

Appearances

For the Commission: *Harriet Guber Mulhern* and *Michael J. Bloom*.

For the respondents: *Samuel Feldman*, New York, N.Y.

COMPLAINT

The Federal Trade Commission, having reason to believe that American Life Nutrition, Inc., American Life FarFun, Inc., corporations, and Mr. Ling Won Tong, individually and as an officer and director of the corporations, have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, allege:

PARAGRAPH 1. Respondents American Life Nutrition, Inc. and American Life FarFun, Inc., collectively known as "ALN," are New York corporations, with their principal office and place of business located at 60 East Broadway, New York, New York. ALN is a wholesale distributor of dietary food supplements to retailers that sell to the general public in twenty-two (22) states. The retailers include Chinese health food stores, drug stores, supermarkets, grocery stores, and herbal merchants. In addition, ALN makes some local "walk-in" or "door" retail sales from its New York City premises.

PAR. 2. Respondent, Mr. Ling Won Tong, is the President, Executive Director, sole officer and director of ALN. He directs, formulates, and regulates all the policies of ALN, and he personally prepares the format and copy for all advertisements, and places them for publication in Chinese-language newspapers, magazines, radio, television, movie theatres, flyers, and brochures. No advertisements are published in English, and no advertising agency is used in the preparation or placement of ALN's advertisements.

PAR. 3. Since at least March 1986, respondents have advertised, offered for sale, distributed, and sold five (5) dietary food supplements, packaged in plastic bottles, and labeled: (a) LIFE FARFUNG 100% Natural Honeybee Pollen Nuggets ("LIFE FARFUNG Honeybee Pollen"); (b) GELEE ROYALE AMERICAINE Fresh Natural American Royal Jelly ("GELEE ROYALE Royal Jelly"); (c) AMERICAN YUYU KING Supernatural Fish Oil Concentrate ("AMERICAN YUYU KING Fish Oil"); (d) MILLION VITAMING Complete Vitamins and Minerals ("MILLION VITAMING Vitamins and Minerals"); and (e) GOOD DARLING Pure Deep Sea Oyster Shell Calcium With Vitamin D ("GOOD DARLING Calcium"). The wholesale prices are: \$15.50, \$17.50, \$17.50, \$17.50, and \$15.50 respectively. The retail prices of these products are: \$19.50, \$22.50, \$24.50, \$21.50, and \$20.50 respectively.

PAR. 4. Respondents have disseminated or caused to be disseminated advertisements for the five (5) dietary food supplements enumerated in paragraph three above. These advertisements have been disseminated by various means, including Chinese-language newspapers, magazines, radio, television, movie theatre commercials, and brochures and flyers accompanying shipments of respondents' products across state lines, for the purpose of inducing the purchase of such products by retail outlets and by members of the public.

PAR. 5. The acts and practices of respondents alleged in this complaint have been, and are, in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act.

PAR. 6. LIFE FARFUNG Honeybee Pollen, GELEE ROYALE Royal Jelly, AMERICAN YUYU KING Fish Oil, MILLION VITAMING Vitamins and Minerals, and GOOD DARLING Calcium are a food or a drug, as "food" and "drug" are defined in Section 12 of the FTC Act.

PAR. 7. In the course of marketing, advertising, distributing, and selling LIFE FARFUNG Honeybee Pollen, respondents have made numerous statements to consumers concerning that product. Typical

of respondents' statements, but not necessarily inclusive thereof, are the following:

- (a) "Prevent Breast Tumor"
- (b) "Prevent Diabetes"
- (c) "Prevent Heart Disease"
- (d) "Prevent Flu"
- (e) "Increase Sex Drive"
- (f) "Resist Arthritis"
- (g) "Life Farfun—World known doctors clinically prove that Life FarFun is magnificently effective. It can help to benefit the following conditions: *Can help reduce skin sensitivity and soothe arthritis pain *It can help reduce symptoms of dyspepsia and help blood pressure *Can help with constipation and hemorrhoid piles and moles *Can help prevent diabetes and prostate gland illness *Help with symptoms of asthma and hay fever *Help to prevent dry skin and swollen ankles—Reduce Weight if taken before meals—Increase weight if taken after meal."
- (h) "Manufactured in the U.S.A. from finest ingredients in conformance with government standards."

PAR. 8. In the course of marketing, advertising, distributing, and selling GELEE ROYALE Royal Jelly, respondents have made numerous statements to consumers concerning that product. Typical of respondents' statements, but not necessarily inclusive thereof, are the following:

- (a) "Help nourish the skin and erases wrinkles"
- (b) "Helps delay aging process"
- (c) "Help to improve sexual ability"
- (d) "Helps psoriasis"
- (e) "Can help cerebral anemia and insomnia"
- (f) "Help increase appetite, help eczema, and can help children's growth"
- (g) "Helps prevent hands and legs trembling, fainting, stiff muscle"
- (h) "It can also help arteriosclerosis, paralysis, rubella, fatigue"
- (i) "It can help to prevent tuberculosis and hepatitis"

PAR. 9. In the course of marketing, advertising, distributing, and selling AMERICAN YUYU KING Fish Oil, respondents have made numerous statements to consumers concerning that product. Typical of respondents' statements, but not necessarily inclusive thereof, are the following:

- (a) "Take one tablet of YuYu King every meal, don't have heart problems the rest of your life"
- (b) "Get rid of cholesterol in the blood"
- (c) "Prevent blood stream hardening"

(d) "American YuYu King—helps dissolve the blood clots, reduce fat and cholesterol in the blood and help improve the normal blood flow. Helps prevent angiosclerosis. Helps stop arteriosclerosis. Helps reduce migraines. Helps reduce Rheumatism. Helps prevent cerebral apoplexy. Helps reduce s[c]abies [sic]. Helps protect the kidney. You'll never have to worry about your heart. Take one YuYu with every meal."

(e) "Taking one tablet [of AMERICAN YUYU KING Fish Oil] after each meal can eliminate the fat and cholesterol contained in the blood streams. It has been found to dissolve thromboeyle, and help prevent arterial sclerosis of the blood vessels and apoplexy."

(f) In close proximity to the above statements and representations: "A 20-year intensive investigation by scientists; A masterpiece of 800 people getting involved in the clinical practice; 100 world-level institutes making research; 13 prestigious publications carrying the research reports."

PAR. 10. In the course of marketing, advertising, distributing, and selling MILLION VITAMING Vitamins and Minerals, respondents have made numerous statements to consumers concerning that product. Typical of respondents' statements, but not necessarily inclusive thereof, are the following:

- (a) "Guards against and resists all easily contracted diseases"
- (b) "Helps prevent and resist any kind of contraction"
- (c) "Protect/help Eyes"
- (d) "Increase Red Blood Cells"
- (e) "Prevent Prostate Gland Enlargement"

PAR. 11. In the course of marketing, advertising, distributing, and selling GOOD DARLING Calcium, respondents have made numerous statements to consumers concerning that product. Typical of respondents' statements, but not necessarily inclusive thereof, are the following:

- (a) "Because of Lacking Calcium Therefore the body changes its shape," "Shrinkage," "Rickets," "Hunchback," "This can happen to every woman" [in conjunction with an illustration of a hump-backed woman walking with a cane]
- (b) "Resists Osteoporosis"
- (c) "All you need to do is take 2 tablets of American Good Darling every day to eliminate all the above worries"
- (d) "American Good Darling—Women suffer transfiguration, body shrinkage, hunchback, weak legs, body-shape unfitted for clothes, after 35 or menopause. The percentage is high for women after 50; one out of every four women dies; some die within months. It can happen to any women. There are 14 Million Victims Each Year!!!"
- (e) "A middle age woman has lived through so many sad things, how can she stand the torture of fragile bones? Nobody wants to have a deformed body that is short and humpbacked which makes a person ugly even in their middle ages. But do not be

afraid, osteoporosis can be prevented as long as you take two tablets of American Good Darling every day."

PAR. 12. Through the use of the statements referred to in paragraph seven above, and other statements not specifically set forth herein, respondents have represented, directly or by implication:

- (a) LIFE FARFUN Honeybee Pollen will prevent breast cancer.
- (b) LIFE FARFUN Honeybee Pollen will prevent diabetes.
- (c) LIFE FARFUN Honeybee Pollen will prevent heart disease.
- (d) LIFE FARFUN Honeybee Pollen will prevent influenza.
- (e) LIFE FARFUN Honeybee Pollen will increase sex drive.
- (f) LIFE FARFUN Honeybee Pollen will prevent arthritis.
- (g) LIFE FARFUN Honeybee Pollen has been clinically proven by recognized medical experts to be effective in the treatment of skin sensitivity, dry skin, arthritis pain, dyspepsia, high blood pressure, constipation, hemorrhoid piles and moles, colds, weight control, diabetes, prostate gland illness, asthma, hay fever, and swollen ankles.

(h) LIFE FARFUN Honeybee Pollen will prevent and treat serious or life-threatening diseases.

(i) LIFE FARFUN Honeybee Pollen is, or consists of ingredients that are specified, approved, endorsed, or found to be safe and effective in the treatment or prevention of various diseases, disorders, or conditions, by a governmental agency or spokesperson.

PAR. 13. In truth and in fact:

- (a) LIFE FARFUN Honeybee Pollen will not prevent breast cancer.
- (b) LIFE FARFUN Honeybee Pollen will not prevent diabetes.
- (c) LIFE FARFUN Honeybee Pollen will not prevent heart disease.
- (d) LIFE FARFUN Honeybee Pollen will not prevent influenza.
- (e) LIFE FARFUN Honeybee Pollen will not increase sex drive.
- (f) LIFE FARFUN Honeybee Pollen will not prevent arthritis.
- (g) LIFE FARFUN Honeybee Pollen has not been clinically proven by recognized medical experts to be effective in the treatment of skin sensitivity, dry skin, arthritis pain, dyspepsia, high blood pressure, constipation, hemorrhoid piles or moles, colds, weight control, diabetes, prostate gland illness, asthma, hay fever, or swollen ankles.
- (h) LIFE FARFUN Honeybee Pollen will not prevent or treat serious or life-threatening diseases.

(i) LIFE FARFUN Honeybee Pollen is not, nor does it consist of ingredients that are, specified, approved, endorsed, or found to be safe

or effective in the treatment or prevention of various diseases, disorders, or conditions, by a governmental agency or spokesperson.

Therefore, the representations set forth in paragraph twelve were, and are, false and misleading.

PAR. 14. Through the use of the statements referred to in paragraph eight above, and other statements not specifically set forth herein, respondents have represented, directly or by implication:

(a) GELEE ROYALE Royal Jelly helps nourish the skin and erase wrinkles.

(b) GELEE ROYALE Royal Jelly helps delay the aging process.

(c) GELEE ROYALE Royal Jelly helps to improve sexual ability.

(d) GELEE ROYALE Royal Jelly helps psilosis (hair loss).

(e) GELEE ROYALE Royal Jelly helps prevent or treat cerebral anemia and insomnia.

(f) GELEE ROYALE Royal Jelly helps increase appetite, helps prevent or treat eczema, and helps children's growth.

(g) GELEE ROYALE Royal Jelly helps prevent hands and legs from trembling, and helps prevent or treat fainting, and stiff muscles.

(h) GELEE ROYALE Royal Jelly helps prevent or treat arteriosclerosis, paralysis, rubella, and fatigue.

(i) GELEE ROYALE Royal Jelly can help prevent tuberculosis and hepatitis.

PAR. 15. In truth and in fact:

(a) GELEE ROYALE Royal Jelly does not help nourish the skin and erase wrinkles.

(b) GELEE ROYALE Royal Jelly does not help delay the aging process.

(c) GELEE ROYALE Royal Jelly does not help improve sexual ability.

(d) GELEE ROYALE Royal Jelly does not help prevent or treat psilosis (hair loss).

(e) GELEE ROYALE Royal Jelly does not help prevent or treat cerebral anemia or insomnia.

(f) GELEE ROYALE Royal Jelly does not help increase appetite, help prevent or treat eczema, or help children's growth.

(g) GELEE ROYALE Royal Jelly does not help prevent hands or legs from trembling, or prevent or treat fainting or stiff muscles.

(h) GELEE ROYALE Royal Jelly does not help prevent or treat arteriosclerosis, paralysis, rubella, or fatigue.

(i) GELEE ROYALE Royal Jelly does not help prevent tuberculosis or hepatitis.

Therefore, the representations set forth in paragraph fourteen were, and are, false and misleading.

PAR. 16. Through the use of the statements referred to in paragraph nine above, and other statements not specifically set forth herein, respondents have represented, directly or by implication:

(a) AMERICAN YUYU KING Fish Oil will prevent heart problems for the rest of the user's life and take away any need to worry about the heart.

(b) AMERICAN YUYU KING Fish Oil will help reduce rheumatism.

(c) AMERICAN YUYU KING Fish Oil will help prevent cerebral apoplexy.

(d) AMERICAN YUYU KING Fish Oil will help reduce scabies.

(e) AMERICAN YUYU KING Fish Oil will reduce fat and cholesterol in the blood.

(f) AMERICAN YUYU KING Fish Oil will prevent and help stop arteriosclerosis (hardening of the arteries) and help improve the normal blood flow.

(g) AMERICAN YUYU KING Fish Oil will help reduce migraine headaches, and help protect the kidneys.

PAR. 17. In truth and in fact:

(a) AMERICAN YUYU KING Fish Oil will not prevent heart problems for the rest of the user's life and will not take away any need to worry about the heart.

(b) AMERICAN YUYU KING Fish Oil will not help reduce rheumatism.

(c) AMERICAN YUYU KING Fish Oil will not help prevent cerebral apoplexy.

(d) AMERICAN YUYU KING Fish Oil will not help reduce scabies.

Therefore, the representations set forth in paragraph sixteen (a), (b), (c), and (d) were, and are, false and misleading.

PAR. 18. Through the use of the statements referred to in paragraph ten above, and other statements not specifically set forth herein, respondents have represented, directly or by implication:

(a) MILLION VITAMING Vitamins and Minerals will prevent, resist, or treat all contractible diseases.

(b) MILLION VITAMING Vitamins and Minerals will increase the number of red blood cells.

(c) MILLION VITAMING Vitamins and Minerals will prevent eye diseases, conditions, or poor eyesight.

(d) MILLION VITAMING Vitamins and Minerals will prevent prostate gland enlargement.

PAR. 19. In truth and in fact:

(a) MILLION VITAMING Vitamins and Minerals will not prevent, resist, or treat all contractible diseases.

(b) MILLION VITAMING Vitamins and Minerals will not increase the number of red blood cells.

(c) MILLION VITAMING Vitamins and Minerals will not treat or prevent eye diseases, conditions, or poor eyesight.

(d) MILLION VITAMING Vitamins and Minerals will not prevent prostate gland enlargement.

Therefore, the representations set forth in paragraph eighteen were, and are, false and misleading.

PAR. 20. Through the use of the statements referred to in paragraph eleven above, and other statements not specifically set forth herein, respondents have represented, directly or by implication:

(a) GOOD DARLING Calcium will prevent and treat osteoporosis.

(b) GOOD DARLING Calcium will prevent and treat humpback resulting from osteoporosis.

(c) GOOD DARLING Calcium will prevent and treat body shrinkage resulting from osteoporosis.

(d) GOOD DARLING Calcium will prevent and treat rickets.

(e) GOOD DARLING Calcium will prevent and treat weak legs resulting from rickets or osteoporosis.

(f) GOOD DARLING Calcium will prevent and treat fragile bones resulting from osteoporosis.

PAR. 21. Through the use of the statements set forth in paragraphs seven, eight, nine, ten, and eleven, and other statements not specifically set forth herein, respondents have represented, directly or by implication, that at the time of making the representations set forth in paragraphs twelve, fourteen, sixteen, eighteen, and twenty, respondents possessed and relied upon a reasonable basis for those representations.

PAR. 22. In truth and in fact, at the time of making the representations set forth in paragraphs twelve, fourteen, sixteen,

eighteen, and twenty, respondents did not possess and rely upon a reasonable basis for making those representations. Therefore, respondents' representation, as set forth in paragraph twenty one, was, and is, false and misleading.

PAR. 23. Through the use of the statements set forth in paragraphs seven (g) and nine (f), and others not specifically set forth herein, respondents have represented, directly or by implication, that at the time of making the representations set forth in paragraphs twelve (g) and sixteen, they possessed and relied upon one or more well-controlled clinical tests as a reasonable basis for those representations.

PAR. 24. In truth and in fact, at the time of making the representations set forth in paragraphs twelve (g) and sixteen, respondents did not possess and rely upon well-controlled clinical tests as a reasonable basis for making those representations. Therefore, respondents' representation, as set forth in paragraph twenty three, was, and is, false and misleading.

PAR. 25. The dissemination of the aforesaid false and misleading representations by respondents, as alleged in this complaint, constitutes unfair and deceptive acts or practices in or affecting commerce and the dissemination of false advertisements in violation of Sections 5 and 12 of the Federal Trade Commission Act.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the New York Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission would charge respondents with violation of the Federal Trade Commission Act; and

The respondents, their attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order, and admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, making the following jurisdictional findings, and enters the following order:

(1) Respondents American Life Nutrition, Inc. and American Life FarFun, Inc. are corporations organized, existing, and doing business under and by virtue of the laws of the State of New York, with their headquarters located at 60 East Broadway, New York, New York. Respondent Ling Won Tong is the President of said corporations. He formulates, directs and controls the policies, acts and practices of said corporations, and his principal office and place of business are located at the above stated address.

(2) The consent agreement executed by the respondents, their attorney, and counsel for the Commission is premised upon the respondents' sworn financial statement and related documents previously provided to the Commission. Upon duly noticed motion to the Commission, filed no later than three (3) years after the entry of this consent order, the Commission may make a determination whether there are any material misrepresentations in said sworn financial statement and related documents. If the Commission finds any material misrepresentations in the sworn financial statement and related documents submitted by the respondents, in addition to such other remedies as may be provided by law, that finding shall cause the consent order to be set aside and the Commission in that event shall be permitted to reopen this matter and take such action as it deems appropriate. Prior to the making of any such determination, the Commission shall notify the respondents of any discrepancy and provide them with a reasonable opportunity to explain or justify the disputed entry in the sworn financial statement or related document.

(3) The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That respondents, American Life Nutrition, Inc. and American Life FarFun, Inc., corporations, their officers, and Ling Won Tong, individually and as an officer of said corporations, and respondents' agents, representatives, and employees, their successors and assigns, directly or through any corporation, affiliate, division, or other device, in connection with the advertising, labeling, offering for sale, sale, or distribution of any food or drug, including any dietary food supplement, in or affecting commerce, as "food," "drug," and "commerce" are defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(A) Representing, directly or by implication, that any honeybee pollen product:

- (1) Will or can help prevent or effectively treat breast cancer;
- (2) Will or can help prevent or effectively treat diabetes;
- (3) Will or can help prevent or effectively treat heart disease;
- (4) Will or can help prevent or effectively treat influenza;
- (5) Will or can help prevent or effectively treat arthritis;
- (6) Will or can help prevent or effectively treat dyspepsia (indigestion);
- (7) Will or can help prevent or effectively treat high blood pressure;
- (8) Will or can help prevent or effectively treat constipation;
- (9) Will or can help prevent or effectively treat hemorrhoids or moles;
- (10) Will or can help prevent or effectively treat the common cold;
- (11) Will or can help cause a weight gain or loss;
- (12) Will or can help prevent or effectively treat prostate gland illness;
- (13) Will or can help prevent or effectively treat asthma;
- (14) Will or can help prevent or effectively treat hay fever;
- (15) Will or can help prevent or effectively treat skin sensitivity or dry skin;
- (16) Will or can help prevent or effectively treat swollen ankles;
- (17) Will or can help increase sex drive; or,
- (18) Will or can help prevent or effectively treat serious or life-threatening diseases.

(B) Representing, directly or by implication, that any royal jelly product:

- (1) Will or can help erase or prevent wrinkles;
- (2) Will or can help delay or prevent the aging process;
- (3) Will or can help improve sexual ability;
- (4) Will or can help prevent or effectively treat psoriasis (hair loss);
- (5) Will or can help prevent or effectively treat cerebral anemia or insomnia;
- (6) Will or can help prevent or effectively treat eczema;
- (7) Will or can help increase appetite, or promote the growth of children;
- (8) Will or can help prevent or effectively treat trembling of hands or legs, fainting, or stiff muscles;
- (9) Will or can help prevent or effectively treat arteriosclerosis, paralysis, rubella, or fatigue; or,
- (10) Will or can help prevent or effectively treat tuberculosis or hepatitis.

(C) Representing, directly or by implication, that any fish oil product:

- (1) Will or can help prevent heart problems for the rest of the user's life, or will remove any need for a user to worry about the heart;
 - (2) Will or can help prevent or effectively treat rheumatism;
 - (3) Will or can help prevent or effectively treat cerebral apoplexy;
- or,
- (4) Will or can help prevent or effectively treat scabies.

(D) Representing, directly or by implication, that any vitamin or mineral product:

- (1) Will or can help prevent or effectively treat all contractible diseases;
- (2) Will or can help prevent or effectively treat eye diseases, ailments, or poor eyesight;
- (3) Will or can help increase the number of red blood cells; or,
- (4) Will or can help prevent or effectively treat prostate gland enlargement.

II.

It is further ordered, That respondents, their officers, agents, representatives, and employees, and their successors and assigns,

directly or through any corporation, affiliate, division, or other device, in connection with the advertising, labeling, offering for sale, sale, or distribution of any food or drug, including any dietary food supplement, in or affecting commerce, as "food," "drug," and "commerce" are defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication:

(A) That any such food or drug is, or consists of ingredients that are, specified, approved, endorsed, or found to be safe or effective in the treatment or prevention of any disease, disorder, or condition, by any governmental or other agency or spokesperson, unless such is the fact.

(B) The efficacy, safety, or performance of any such food or drug, unless, at the time the representation is made, they possess and rely upon competent and reliable scientific evidence that substantiates such representation; *provided however*, that for any test or study to be "competent and reliable" it shall be one conducted by a person with skill and expert knowledge in the field to which the test or study pertains, with the results evaluated in an objective manner using procedures generally accepted in the profession to yield accurate and reliable results.

III.

It is further ordered, That respondents shall disseminate, in each publication in which respondents placed a print advertisement between December 1, 1987 and December 1, 1988, a print advertisement giving a full and accurate Chinese-language translation of the text contained in paragraphs III (A), (B), (C), and (D) of this order. Each such advertisement shall appear on the same day of the week as the original advertisements in that publication appeared most frequently, and on the same or comparable page(s) on which the original advertisements in that publication appeared most frequently. Each advertisement in "WORLD JOURNAL DAILY," "UNITED JOURNAL," "SING TAO JIH PAO," "THE YOUNG CHINA DAILY," and "CHINESE TIMES" shall consist of one full page which shall be divided into four equal quarters, each of which shall be enclosed in a black or red border and shall contain a different one of the statements required to be made under paragraphs III (A), (B), (C), and (D) of this order. Each advertisement in "CHINA TIMES WEEKLY," "WORLD JOURNAL WEEKLY," and "NEW YORK WEEKLY ENTERTAIN-

MENT” shall consist of two adjacent full pages, each of which shall be divided into two equal halves, each of which shall be enclosed in a black or red border and shall contain a different one of the statements required to be made under paragraphs III (A), (B), (C), and (D) of this order. Each statement required by this order shall appear without additional text and shall clearly and conspicuously provide, in Chinese translation:

(A) Contrary to prior advertising claims, LIFE FARFUNG 100% Natural Honeybee Pollen Nuggets will not help prevent or effectively treat breast cancer; will not help prevent or effectively treat diabetes; will not help prevent or effectively treat heart disease; will not help prevent or effectively treat influenza; will not help prevent or effectively treat arthritis; will not help prevent or effectively treat dyspepsia (indigestion); will not help prevent or effectively treat high blood pressure; will not help prevent or effectively treat constipation; will not help prevent or effectively treat hemorrhoids or moles; will not help prevent or effectively treat the common cold; will not help cause a weight gain or loss; will not help prevent or effectively treat prostate gland illness; will not help prevent or effectively treat asthma; will not help prevent or effectively treat hay fever; will not help prevent or effectively treat skin sensitivity or dry skin; will not help prevent or effectively treat swollen ankles; will not help increase sex drive; will not help prevent or effectively treat serious or life-threatening diseases; and, has not been approved or endorsed by the United States Government.

(B) Contrary to prior advertising claims, GELEE ROYALE AMERICAINE Fresh Natural American Royal Jelly will not help erase or prevent wrinkles; will not help delay or prevent the aging process; will not help improve sexual ability; will not help prevent or effectively treat psoriasis (hair loss); will not help prevent or effectively treat cerebral anemia or insomnia; will not help prevent or effectively treat eczema; will not help increase appetite, or promote the growth of children; will not help prevent or effectively treat trembling of hands or legs, fainting, or stiff muscles; will not help prevent or effectively treat arteriosclerosis, paralysis, rubella, or fatigue; and will not help prevent or effectively treat tuberculosis or hepatitis.

(C) Contrary to prior advertising claims, AMERICAN YUYU KING Supernatural Fish Oil Concentrate will not prevent heart problems for the rest of the user's life, and will not remove any need for a user to worry about the heart; will not help prevent or effectively treat

rheumatism; will not help prevent or effectively treat cerebral apoplexy; and, will not help prevent or effectively treat scabies.

(D) Contrary to prior advertising claims, MILLION VITAMING Complete Vitamins and Minerals will not help prevent or effectively treat all contractible diseases; will not help prevent or effectively treat eye diseases, ailments, or poor eyesight; will not help increase the number of red blood cells; and, will not help prevent or effectively treat prostate gland enlargement.

IV.

It is further ordered, That respondents shall notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondents such as dissolution, assignment, or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries, affiliates, or any other changes made in the corporations that may affect compliance obligations arising out of this order.

V.

It is further ordered, That a period of ten (10) years from the date of entry of this consent order, respondent Ling Won Tong shall promptly notify the Commission of the discontinuance of his present business or employment, and of his affiliation with any new business or employment whose activities include the advertising, labeling, distribution, promotion, offering for sale, or sale of any food or drug, including any dietary food supplement, each such notification to include respondent's new business address and a statement of the nature of the business or employment in which respondent is newly engaged, as well as a description of the respondent's duties and responsibilities in connection with the business or employment.

VI.

It is further ordered, That respondents shall maintain for at least three (3) years from the date of service of this order and upon request make available to the Commission for inspection and copying:

(A) All records and documents to demonstrate respondents' compliance with this consent order;

(B) All materials relied upon by respondents for any representation covered by this order;

(C) All test reports, studies, surveys, demonstrations, or other evidence in respondents' possession or control that contradict, qualify, or call into question any representation covered by this order;

(D) All advertising and promotional materials for products covered by this order;

(E) All corrective advertising statements furnished pursuant to this order;

(F) Any materials offering, directly or by implication, any money-back or satisfaction guarantee for any product covered by this order; and

(G) All requests for refunds and all correspondence and other records relating to such requests, as well as documentation sufficient to show the date, manner, amount, and recipient of refunds made.

VII.

It is further ordered, That respondents shall distribute a copy of this order, along with a full and accurate Chinese-language translation of Part III thereof, to every present or future officer, director, agent, representative, independent contractor, and employee with sales or marketing functions, and every person in active concert or participation with them, involved in the advertising, labeling, distribution, promotion, offering for sale, or sale of any food or drug, including any dietary food supplement, and to every manufacturer of any product marketed by respondents, and shall secure from each such person a signed and dated statement acknowledging receipt of said consent order.

VIII.

It is further ordered, That respondents shall distribute to all persons, including every wholesale and retail distributor, who purchased any of respondents' products between January 1, 1987, and the date of service of this order, and for whom respondents either possess a mailing address or whose mailing address is provided to respondents by staff of the Federal Trade Commission, a notice comprised of full and accurate Chinese-language translations of paragraph III (A), (B), (C), and (D) of this order. This notice shall include, immediately preceding these translations, a full and accurate Chinese-language translation of the following statement: "IMPOR-

TANT NOTICE: THE FOLLOWING INFORMATION REGARDING OUR PRODUCTS IS PROVIDED PURSUANT TO A CONSENT ORDER ISSUED BY THE UNITED STATES FEDERAL TRADE COMMISSION AGAINST AMERICAN LIFE NUTRITION, INC. WE ARE PROVIDING THIS INFORMATION TO OUR CUSTOMERS THROUGH YOU AND THROUGH ADVERTISEMENTS IN VARIOUS PUBLICATIONS."

IX.

It is further ordered, That respondents shall, within sixty (60) days after the date of service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this order. Such report shall include full and accurate English-language translations of all Chinese-language advertising then in use, or contemplated to be used, by respondents.

IN THE MATTER OF
CONSUMER DIRECT, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT

Docket 9236. Complaint, Jan. 5, 1990—Decision, Oct. 29, 1990*

This consent order prohibits, among other things, two Ohio based companies and their officers from making false and unsubstantiated claims about "Gut Buster", an exercise device. Respondents are required to include a notice stating—that overstretching the spring in the device may break the spring and cause injury—in all advertisements and to warn past purchasers of the potential for breakage and personal injury from the device.

Appearances

For the Commission: *Maureen Enright* and *Joel Winston*.

For the respondents: *Alan K. Palmer, Morrison & Foerster*,
Washington, D.C.

COMPLAINT

The Federal Trade Commission, having reason to believe that Fitness Quest, Inc. and Consumer Direct, Inc., corporations, and Richard A. Suarez and LuAnn Suarez, individually and as officers of said corporations, hereinafter sometimes referred to as respondents, have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Fitness Quest, Inc. is an Ohio corporation, with its office and principal place of business located at 1400 Raff Road, S.W., Canton, Ohio.

Respondent Consumer Direct, Inc. is an Ohio corporation, with its office and principal place of business located at 1375 Raff Road, S.W., Canton, Ohio.

Respondents Richard A. Suarez and LuAnn Suarez are officers and directors of each of the corporate respondents named herein. They

*Order Amending Complaint, in regards to the caption and preamble, issued April 30, 1990. See 113 FTC 327.