

IN THE MATTER OF

SLENDER YOU, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SECS. 5 AND 12 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3383. Complaint, May 22, 1992--Decision, May 22, 1992*

This consent order prohibits, among other things, a Tennessee company and its officers from making false and misleading representations regarding the weight loss and physical fitness benefits of any exercise machines or devices and diet or fitness programs, and would require the respondents to have competent and reliable scientific evidence to substantiate such claims at the time they are disseminated.

Appearances

For the Commission: *Thomas S. Jefferson* and *Theresa M. McGrew*.

For the respondents: *Samuel K. Crocker, Crocker & DeSha* and *C. Bennett Harrison, Jr., Cornelius & Collins*, Nashville, TN.

COMPLAINT

The Federal Trade Commission, having reason to believe that Slender You, Inc., a corporation, and Diane K. Clark and Robert E. Clark, individually and as officers of said corporation, hereinafter referred to as respondents, have violated Sections 5(a) and 12 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, hereby issues this complaint and alleges that:

PARAGRAPH 1. Respondent Slender You, Inc., is an Indiana corporation, with its principal office and place of business located at 334 Industrial Parkway, Crossville, Tennessee.

Respondents Diane K. Clark and Robert E. Clark are officers of the corporate respondent and are responsible for formulating,

directing and controlling the acts and practices of respondent Slender You, Inc., including the acts and practices alleged in this complaint. Their principal office and place of business is the same as that of the corporation.

PAR. 2. Respondents have manufactured, advertised, offered for sale, sold and distributed to the public passive exercise machines, including such machines known or referred to as toning tables, vibrator tables, leg tables, situp tables, stretch tables, sandbag tables and waist, tummy and hip tables.

PAR. 3. The acts or practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business respondents have prepared, or caused to be prepared, and have disseminated, or caused the dissemination of, advertisements and promotional materials for passive exercise machines by various means in or affecting commerce including, *inter alia*, placing advertisements for broadcast by radio and television, in magazines and newspapers distributed through the mail and across state lines, for the purpose of inducing, and which were likely to induce, directly or indirectly, the purchase of respondents' passive exercise machines and the use of said machines by consumers.

PAR. 5. Respondents have caused to be prepared and placed for publication and have caused the dissemination of advertising and promotional materials, including but not limited to, the advertising and promotional materials attached hereto as Exhibits A through D, and have employed the use of various consumer testimonials and endorsements in said advertising and promotional materials to promote the sale of their passive exercise machines and the use of said machines by consumers.

PAR. 6. Typical of the statements made in such advertisements and promotional materials, but not necessarily all inclusive thereof, are the following:

1. "Nearly everyone loses at least 10 inches in 13 weeks through high repetition, positive energy exercise."
2. "I weighed over 200 pounds before I started. Now I've lost 23 ½ pounds and 36 ½ inches."

3. "Reduces excess fat on upper arms, midriff, waist and back."
4. "Our six motorized tables do the hard work for you, toning and firming your muscles."
5. "Helping to tone and firm your muscles and break down unwanted 'cellulite'."
6. "It [Slender You] pumps a surplus of oxygen into your system and rids the body of fat-inducing acid waste."
7. "Each 60 minute Slender You without approximates seven hours of traditional exercise."
8. "Introducing the no sweat workout."
9. "No sweat and no pain. "

PAR. 7. Through the use of the statements referred to in paragraph six and other statements contained in advertisements and promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that use of respondents' passive exercise machines in a manner requiring little or no effort by the user:

1. Reduces overall body fat as well as body fat in particular areas such as hips, thighs, buttocks, arms, or stomach.
2. Results in the loss of inches or girth from various parts of the body, including the stomach, hips, thighs and buttocks.
3. Reduces overall body weight.
4. Helps to tone and firm muscles in particular areas of the body in a normal healthy individual.
5. Contributes to the break down or removal of cellulite.
6. Rids the body of fat inducing acid or other bodily waste.
7. Provides health or physical fitness benefits for normal healthy individuals comparable or superior to the health or physical fitness benefits provided by a program of rigorous physical exercise.

PAR. 8. In truth and in fact, use of respondents' passive exercise machines in a manner requiring little or no effort by the user:

1. Does not result in the loss of inches or girth from various parts of the body including the stomach, hips, thighs or buttocks.
2. Does not reduce overall body fat or fat from any particular area of the body such as the hips, thighs, buttocks, arms or stomach.

3. Does not reduce overall body weight.
4. Does not help to tone or firm muscles in particular areas of the body in a normal healthy individual.
5. Does not contribute to the breakdown or removal of cellulite.
6. Does not rid the body of fat inducing acid or other bodily waste.
7. Does not provide health or physical fitness benefits for normal healthy individuals comparable or superior to the health or physical fitness benefits provided by a program of rigorous physical exercise.

Therefore, the claims set forth in paragraph seven were and are false and misleading.

PAR. 9. Through the use of the statements referred to in paragraph six and others not specifically set forth herein, respondents have represented, directly or by implication, that at the time respondents made the representations set forth in paragraph seven respondents possessed and relied upon a reasonable basis for those representations.

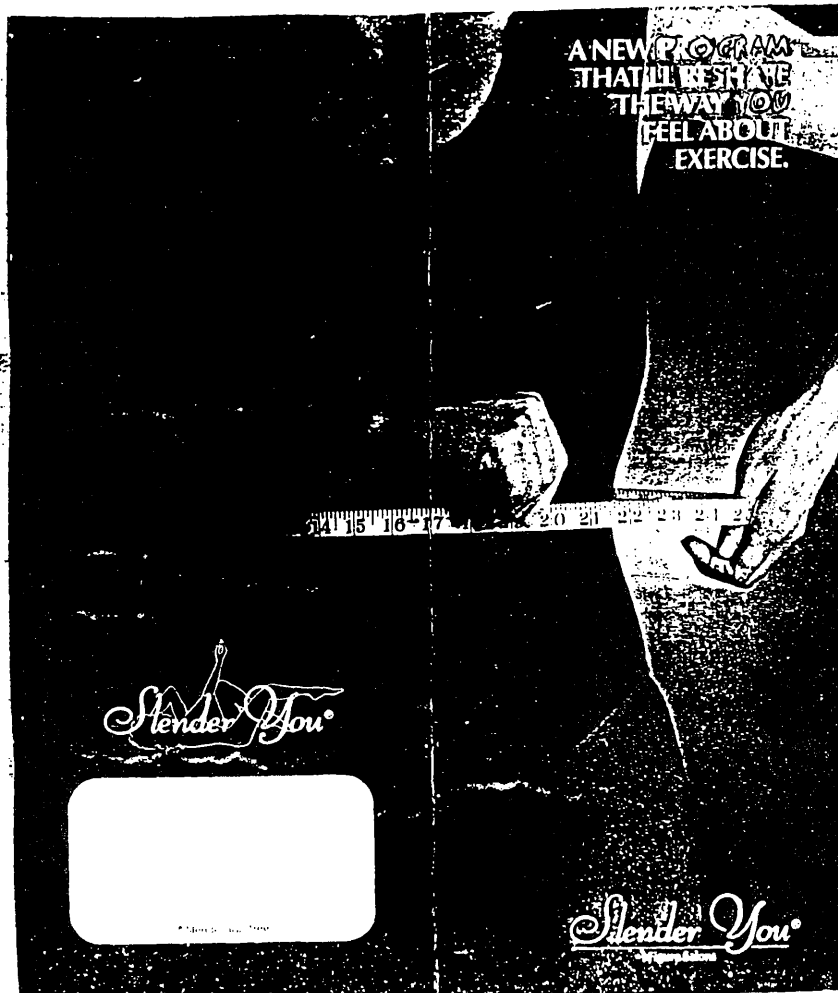
PAR. 10. In truth and in fact, at the time respondents made the representations set forth in paragraph seven respondents did not possess and rely upon a reasonable basis for those representations. Therefore, the representation set forth in paragraph nine was and is false and misleading.

PAR. 11. Through the use of the advertisements and promotional materials referred to in paragraph six, and others not specifically set forth herein, respondents have represented, directly or by implication, that various testimonials and endorsements contained therein reflect the typical or ordinary experiences of consumers, in terms of weight loss and inch loss, after using Slender You passive exercise machines in a manner requiring little or no effort by the user.

PAR. 12. In truth and in fact, the various testimonials and endorsements contained in respondents' advertising and promotional materials do not reflect the typical or ordinary experiences of consumers, in terms of weight loss or inch loss, after using Slender You passive exercise machines in a manner requiring little or no effort by the user. Therefore, the representation set forth in paragraph eleven was and is false and misleading.

PAR. 13. The acts and practices of respondents as alleged in this complaint, and the placement in the hands of others of the means and instrumentalities by and through which others may have used said acts and practices, constitute unfair and deceptive acts or practices in or affecting commerce and the dissemination of false advertisements in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

EXHIBIT A



INTRODUCING THE NO-SWEAT WORKOUT.

We know what you're thinking.
No pain, no gain. Right?

Well, not always.

Introducing Slender You[®], the
new inch loss program that's chang-
ing some old ideas about exercise.

HOW CAN IT POSSIBLY WORK?

Good question. You see, unlike
traditional forms of exercise that
leave you feeling tired and out of
breath, the Slender You[®] workout



Founder E. J. Clark
based the Slender
You[®] concept on
the scientific principle
that, used to treat
fat, actually builds
muscle. It's the
Slender You[®]
machines that remove
fat from the body
and build muscle
simultaneously.

actually energizes
your body. It pumps
a surplus of oxygen
into your system and
rids the body of fat-
inducing acid waste.

Here's how it
works. Twice a week,
you spend 10 minutes
on each of six motor-
ized machines. Each
machine exercises dif-
ferent parts of your
body—legs, stomach,
buttocks, hips, upper

arms—helping to tone and firm your
muscles and break down unwanted
"cellulite."

Through high-repetition move-
ment of the various muscle groups,
the machines increase the flow of
blood and oxygen, while flushing out
the fat-inducing acid waste.

But wait. Doesn't traditional exer-
cise do the same thing? In a way, yes.

But with traditional exercise, you
also use up most of that oxygen
under the strain of the heavy physical
exertion. (That's really why you're out
of breath after a good long workout.)
As a result, you may end up with
even more acid waste in your system
than before you started (especially if
you don't cool down properly).

WHAT THEY DON'T TELL YOU IN AEROBICS.

People sometimes forget that, in
addition to reducing fat, regular exer-
cise adds muscle. And muscle adds
inches. That's why some people can
exercise virtually all the time and still
never look any thinner.
What they're actually do-
ing is building muscle.

The Slender You[®]
program does not build
muscle. It simply tones
and firms what's already
there, while increasing
the oxygen supply to
your system.

You end up with a trimmer figure
and a healthy surplus of energy.
No sweat. No huffing and puffing.
No strained and tired muscles.

EVERYONE LOSES INCHES.

Best of all, the machines assure
your success. Nearly everyone loses
at least 10 inches in 13 weeks through
high-repetition, positive-energy
exercise.

Try the Slender You[®] inch loss pro-
gram. You've got nothing to lose but
inches and pounds. And after just a
few workouts, we think you'll agree.
At Slender You[®], great results really
are no sweat.



NOTHING TO LOSE BUT INCHES AND POUNDS.

MACHINES ASSURE YOUR SUCCESS. You can't *help* but lose inches with our high-repetition, positive-energy workout. Nearly everyone loses at least 10 inches in 13 weeks because the machines make sure you do the work!

YOUR FIRST WORKOUT'S ON US.

FREE FIRST TREATMENT AND FIGURE ANALYSIS. Come in for a free, no obligation visit. Our figure consultants will take your weight and measurements (we measure nine different parts of your body, from arms to ankles). Then we'll set obtainable goals for you with our figure analysis computer.

Afterward, we'll run you through a mini-workout on the machines. You can see how you like it, and then decide whether to make another appointment.

NO MEMBERS ALLOWED.

PAY AS YOU GO. NO CONTRACTS OR MEMBERSHIP FEES.

Unlike other fitness facilities, Slender You® does *not* make you buy expensive memberships or pay in advance for 8 to 10 weeks or classes. Just pay as you go, and quit whenever you'd like. With Slender You®, you're under no obligation at any time.

LISTEN TO THE LOSERS.

"I work third shift and with my schedule, I just don't have time to exercise. Slender You® is quick and easy, and the results are fantastic! I weighed over 200 pounds before I started. Now I've lost 23½ pounds and 36½ inches. People see me and can't believe it . . . I'm more energetic and better able to sleep. I feel like a new person."

Jane Harris, age 42
Bluffton, Indiana

"I have a heart disease and aerobics was too strenuous. But I find I can handle this. After a workout, I feel great. All the stiffness is gone, you feel up. It gets your blood going . . . I've lost 20 pounds and 16½ inches in just three months."

Dottie Sennett, age 51
Williamsport, Pennsylvania

"By my fourth visit (two weeks), I'd already lost 9½ inches and 4 pounds. And I'm not a big person to start with . . . The first visit was free, so I figured, 'What have I got to lose?'"

Sandra Doaton, age 21
London, Kentucky

"The machines don't do it all for you—you've still got to work along with them. It's just an easier way to exercise. I've lost 28 pounds and 25 inches since I started. People tell me I'm getting so skinny!"

Alyce Fredrickson, age 49
Brunswick, Maine

"Sometimes I come home from work very exhausted. I can go down to Slender You® even with a headache and come back very relaxed. And it's not that time consuming . . . I'm losing weight slowly and tightening up."

Gladys Kalman, age 62
Ithaca, New York

"I have arthritis, and this has helped ease the stiffness a lot. Now I can bend over and touch the floor! I also have a severe thyroid deficiency, and with that, you just don't lose weight—you tend to put it on. But I've lost 14 pounds and 22½ inches in three months."

Florence Bower, age 72
Poneto, Indiana



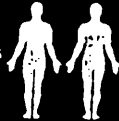
LEG TABLE
Circular motion helps slim entire leg area, especially inner thighs and "saddle bag" outer thighs. This elevated position improves circulation in the lower extremities. Approximates a two-mile walk.

SIT-UP TABLE
Works with you to exercise upper stomach and diaphragm while toning lower back. Helps you do 90 sit-ups in 10 minutes.

The advertisement features two black and white photographs of people using exercise equipment. The top photograph shows a woman lying on her back on a motorized table, with her legs raised and bent at the knees. The bottom photograph shows a man lying on his back on a similar motorized table, with his legs raised and bent. To the right of each photograph is a small diagram of a human figure with lines indicating the areas of the body being exercised. The text is in a bold, sans-serif font.

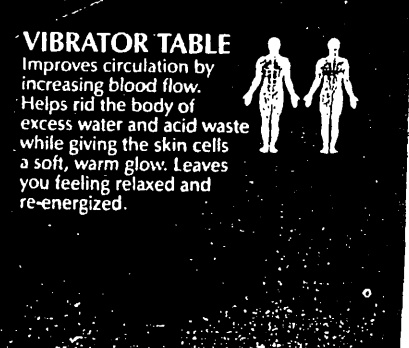
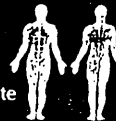
WAIST, TUMMY, HIP TABLE

Gently raises and lowers legs, helping to trim inches from your waist, stomach and hips. Also strengthens lower back muscles. Equivalent of 900 back kicks.



VIBRATOR TABLE

Improves circulation by increasing blood flow. Helps rid the body of excess water and acid waste while giving the skin cells a soft, warm glow. Leaves you feeling relaxed and re-energized.



STRETCH TABLE

Massage action works with you to exercise your entire upper body. Lifts ribcage, improves posture, reduces excess fat on upper arms, midriff, waist and back. Improves overall body tone and firmness.

**SANDBAG TABLE**

Gentle, rhythmic action breaks down "cellulite" on hips and thighs for tighter, smoother skin tone. Lifts and firms flabby buttocks. Strengthens and firms stomach muscles.



EXHIBIT B



© Slender You 1986

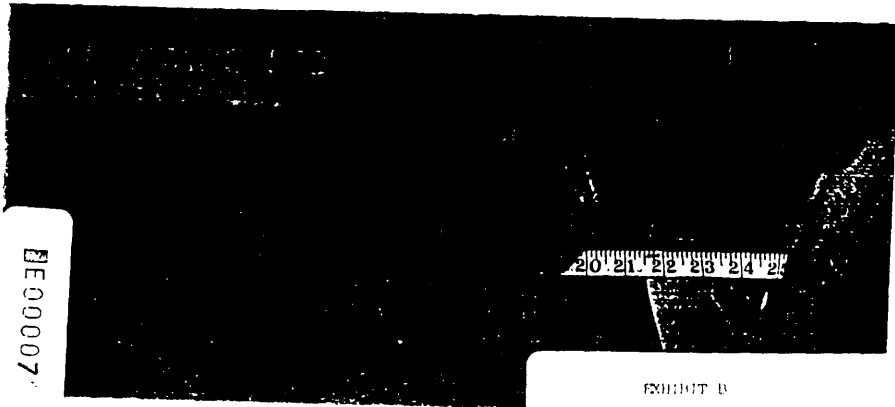
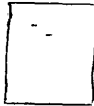


EXHIBIT B

INTRODUCING THE NO-SWEAT WORKOUT.

NOW THERE'S A PLEASANT WAY TO A SLIMMER, TRIMMER, MORE SHAPELY YOU.

Because there's no sweat and no pain, you'll actually enjoy working out the SLENDER YOU® way. Our inch loss program is reshaping old ideas about exercise.

You know traditional forms of exercise leave you tired, aching and fatigued.

But the SLENDER YOU® program

actually energizes your body and leaves you feeling great!

Here's how:

Twice a week you spend 10 minutes on each of six mechanized exercise tables. These tables do the hard work for you, helping firm and tone your body.

No sweat. No strain. No kidding!

Nearly everyone loses 10 inches or more in just 13 weeks.

And no membership fees. Quit when you like. Once you consider our low cost and the great results, chances are you won't want to quit!

Your invitation to a SLENDER YOU® inch loss program is on us, free of all cost to you. Just visit or phone our salon. You've got nothing to lose but inches and pounds.

Great results really are no sweat at SLENDER YOU®.



STRETCH TABLE

Massage action works with you to exercise your entire upper body. Lits muscles, improves posture, helps reduce excess fat on upper arms, midriff, waist and back. Improves overall body tone and firmness.



LEG TABLE

Circular motion helps slim entire leg area, especially inner thighs and "saddle-bag" outer thighs. This elevated position improves circulation in the lower extremities. Approximates a two-mile walk.



WAIST, TUMMY, HIP TABLE

Gently raises and lowers legs, helping to trim inches from your waist, stomach and hips. Also strengthens lower back muscles. Equivalent of 900 back kicks.



SANDBAG TABLE

Gentle, rhythmic action breaks down "cellulite" on hips and thighs for tighter, smoother skin tone. Lits and firms buttocks. Strengthens and firms stomach muscles.



SIT-UP TABLE

Works with you to exercise upper stomach and diaphragm while toning lower back. Helps you to sit up in 10 minutes.



VIBRATOR TABLE

Improves circulation by increasing blood flow. Helps rid body of excess water and acid waste while giving the skin cells a soft, warm glow. Leaves you feeling relaxed and reenergized.



Exercise
Your Options.
Swimming
Aerobics
Jazzercise
Weight Training
Spinning
Pilates
Yoga
Tai Chi
Martial Arts
Dance
Golf
Tennis
Baseball
Soccer
Basketball
Hockey
Volleyball
Badminton
Table Tennis
Bowling
Fishing
Hunting
Gardening
Reading
TV
Movies
Video Games
Hobbies
Volunteering
Traveling
Skiing
Snowboarding
Ice Skating
Figure Skating
Climbing
Rock Climbing
Bungee Jumping
Paragliding
Skydiving
Hot Air Ballooning
Camping
Hiking
Cycling
Jogging
Walking
Swimming
Aerobics
Jazzercise
Weight Training
Spinning
Pilates
Yoga
Tai Chi
Martial Arts
Dance
Golf
Tennis
Baseball
Soccer
Basketball
Hockey
Volleyball
Badminton
Table Tennis
Bowling
Fishing
Hunting
Gardening
Reading
TV
Movies
Video Games
Hobbies
Volunteering
Traveling
Skiing
Snowboarding
Ice Skating
Figure Skating
Climbing
Rock Climbing
Bungee Jumping
Paragliding
Skydiving
Hot Air Ballooning
Camping
Hiking
Cycling
Jogging
Walking

[illegible]

**Give An Inch
We'll Take Ten!**



Amidst the...
sketches...
...13 weeks...
...losses...

...many inches nearly
...positive energy exercise.
...work for you.

Slender you're muscles. We can make a call if you want to make a reservation.

[illegible]

It's a mini-workout in an easy 10 inches or less with you twenty minutes of fun.

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St. Louis, Mo. 1911

Wander

C'mon, Bend A Little!

[illegible]

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EXHIBIT 1

EXHIBIT D

SLENDER YOU®: THE FIGURE ITSELF IN JUS

We're not exaggerating.

The fact is, most Slender You® Figure Salons report a full return on investment within six months. And more than double their money in profit by the end of the first year.

Sound too good to be true? It gets even better.

One salon in Dunkirk, MD, (population 3,700) was so successful that they ordered their third set of Slender You® machines after only four weeks of operation. The same thing happened to a salon in White River Junction, VT. And incredibly, in Manchester, NH, another salon ordered their second set after only fourteen days!

Don't they just tell you what you need to know? Slender You® exercise program works. It's a totally new concept that's revolutionizing the health/fitness industry in America.

Unlike traditional forms of exercise that leave you feeling tired and out of breath, the Slender You® workout actually energizes your body.

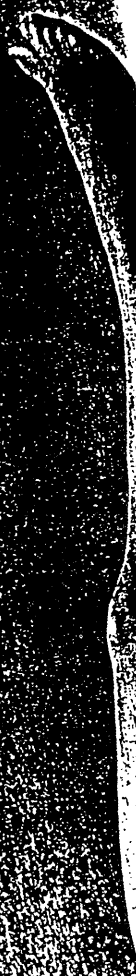
The machines help to tone and firm your muscles while at the same time, flushing out the fat inducing acid wastes from your system. You end up with a trimmer figure and a healthy surplus of oxygen in your tissue. No sweat. No hunting and plumping. No strained and tired muscles.

And best of all, everyone loses inches. At least 10 inches in 13 weeks through their repetition, positive-energy exercise. The machines assure your success.

Slender You®. The figure salon that'll work wonders for your customers.



SALEON THAT CAN PAY FOR
16 MONTHS.

[illegible]

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 Chicago 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 attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an 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, and having duly considered the comments filed thereafter by interested persons pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Slender You, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Indiana, with its office and principal place of business located at 334 Industrial Parkway, in the city of Crossville, State of Tennessee.
2. Respondents Diane K. Clark and Robert E. Clark are officers of Slender You, Inc. Their address is the same as that of the corporate respondent.
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 Slender You, Inc., a corporation, its successors and assigns, and Diane K. Clark and Robert E. Clark, individually and as officers and directors of Slender You, Inc., and respondents' agents, representatives, and, employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, advertising, offering for sale, selling or distributing of an "passive exercise machine" in or affecting commerce, as commerce is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication, that use of any such machine in a manner requiring little or no effort by the user:

- a. Reduces or helps to reduce overall body fat or body fat in any particular areas of the human body.
- b. Results in or contributes to inch loss or weight loss or the reduction of any particular part of the human body.
- c. Tones or firms human tissue including muscle in a normal healthy individual.
- d. Removes or eliminates cellulite or any other form of subcutaneous body fat.
- e. Flushes out or contributes to the removal of fat inducing acid waste, toxic waste or any other bodily waste from an individual's body system.
- f. Provides health or physical fitness benefits similar or superior to those provided by rigorous forms of exercise for normal healthy individuals.

II.

It is further ordered, That respondents Slender You, Inc., a corporation, and Diane K. Clark and Robert E. Clark, individually and as officers of the corporation, their successors and assigns, and respondents' agents, representatives, and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, advertising, offering for sale, selling or distributing of any passive exercise machine or any fitness

or diet program in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Representing, directly or by implication, that use of any such machine or program:

1. Reduces or helps to reduce overall body fat or body fat in any particular area of the human body;
2. Results in or contributes to inch loss or weight loss or the reduction of any particular part of the human body;
3. Tones or firms human tissue including muscle;
4. Removes or eliminates cellulite or any other form of subcutaneous body fat;
5. Flushes out or contributes to the removal of fat-inducing acid waste, toxic waste or any other bodily waste from an individual's body system; or
6. Provides health or physical fitness benefits similar or superior to those provided by rigorous forms of exercise.

unless at the time of making such representation, they possess and rely upon competent and reliable scientific evidence that substantiates the representation. For purposes of the order, for any test, analysis, research, study or other evidence to be "competent and reliable," the test, analysis, research, study, or other evidence shall be conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the relevant profession to yield accurate and reliable results.

B. Representing, directly or by implication, that any consumer endorsement or testimonial in favor of any such machine or program represents the typical or ordinary experience of members of the public who use the machine or program unless such is the case.

III.

It is further ordered, That respondents shall for at least three (3) years after the date the representation is last disseminated, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials relied upon to substantiate any representation covered by this order.

B. All tests, reports, studies, surveys, demonstrations or other evidence, including consumer complaints, in their possession or control that contradict, qualify or call into question any representation covered by this order.

C. A copy of each non-identical form of promotional material disseminated by respondents.

IV.

It is further ordered, That respondents shall for at least three (3) years after the date of service of this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying records of the name and last known address of each dealer, distributor, purchaser or lessee for commercial use of respondents' passive exercise machine, along with a copy of any training manuals or other training material disseminated to such persons.

V.

It is further ordered, That respondents shall:

A. Within sixty (60) days after the date of service of this order send via Certified mail with return receipt, a copy of this order to the last known name and address of each person or firm that is a current or former Slender You salon operator or dealer, and to each purchaser of Slender You equipment, and that respondents shall maintain for three (3) years and upon request make available to the Federal Trade Commission for inspection and copying each such return mail receipt, as well as a list of the names, addresses and phone numbers of those parties to whom respondents distributed a copy of this order.

B. Distribute a copy of this order to each of respondents' current officers, agents, representatives or employees who are engaged in the preparation of advertisements or other promotional materials, or any training or instructional materials, for passive exercise machines.

VI.

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

VII.

It is further ordered, That the individual respondent named herein shall for a period of 5 years from the date of service of this order, promptly notify the Commission of the discontinuance of their present business or employment and of their affiliation with a new business or employment whose activities include the manufacture, advertising, promotion, offering for sale, sale or distribution of passive exercise machines and of their affiliation with any new business or employment in which their own duties and responsibilities involve the manufacture, advertising, promotion, offering for sale, sale or distribution of passive exercise machines, with each such notice to include the respondents' 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 respondents' duties and responsibilities in connection with the business or employment.

VIII.

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 they have complied with this order.

IN THE MATTER OF

EXHART ENVIRONMENTAL SYSTEMS, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3384. Complaint, June 2, 1992--Decision, June 2, 1992*

This consent order prohibits, among other things, a California-based company and its owners from representing that their electronic devices can eliminate, reduce the number of, or prevent the reentry of rodents unless they can substantiate such representations, and also prohibits them from stating that the devices are EPA-approved or waterproof, if that is not the case. In addition, the agreement requires the respondents to send a letter to all catalogue companies with which they have done business since January 1, 1990, informing them of the requirements of the order.

Appearances

For the Commission: *Eileen Harrington* and *David M. Torok*.

For the respondents: *Ronald Gold, Murphy & Gold*, Calabasas, CA.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. 45 *et seq.*, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Exhart Environmental Systems, Inc. ("Exhart"), a corporation, and Isaac Weiser and Margaret Weiser, individually and as officers of said corporation (hereinafter collectively referred to as "respondents"), have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges as follows: