

IN THE MATTER OF

DOCTORS MEDICAL WEIGHT LOSS CENTERS, INC., ET AL.

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

Docket C-3516. Complaint, Aug. 11, 1994--Decision, Aug. 11, 1994

This consent order prohibits, among other things, the Florida commercial diet program companies and their officer from misrepresenting the performance or safety of any diet program they offer in the future, and requires the respondents to possess competent and reliable scientific evidence to substantiate any future claims they make about weight loss, weight loss maintenance, or rate of weight loss; to make a number of disclosures regarding maintenance success claims; and to disclose all mandatory fees.

Appearances

For the Commission: *Eric Bash, Matthew Daynard and Richard F. Kelly.*

For the respondents: *Gabriel Imperato, Broad & Cassell, Fort Lauderdale, FL.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Doctors Medical Weight Loss Centers, Inc. ("DMWLC"), Doctors Weight Loss Centers, Inc. ("DWLC"), and Joyce A. Schuman, individually and as an officer of said corporations (hereinafter, collectively, "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. (a) Respondents DMWLC and DWLC are Florida corporations, formerly doing business, with their principal offices and places of business located at 5479 A North Federal Highway, Fort Lauderdale, Florida.

(b) Respondent Joyce A. Schuman is an officer of the corporate respondents. Individually or in concert with others, she formulates, directs, and controls the acts or practices of the corporate

respondents, including the acts or practices alleged in this complaint. Her principal residence is located at 2730 Sea Island Drive, Fort Lauderdale, Florida.

(c) Respondents have cooperated and acted together in carrying out the acts and practices alleged in this complaint.

PAR. 2. Respondents have advertised or otherwise promoted, offered for sale, and sold, weight reduction and weight control programs and products, and have made them available to consumers at their weight loss centers. Respondents have offered for sale and sold diet programs of 800 to 1500 calories per day, that include food, as "food" is defined in Section 15 of the Federal Trade Commission Act.

PAR. 3. In the course and conduct of their business, respondents have disseminated or have caused to be disseminated advertisements for weight reduction and weight control programs and products. Respondents have placed these advertisements with various media for the purpose of inducing consumers to purchase their programs and products. Respondents have further advertised their weight loss programs through the use of promotional materials, including pamphlets and brochures, given to customers and prospective customers at individual weight loss center locations.

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

PAR. 5. Respondents' advertisements and promotional materials include, but are not necessarily limited to, the advertisements and promotional materials attached hereto as Exhibits A-O.

PAR. 6. The advertisements and promotional materials referred to in paragraph five, attached hereto as Exhibits A-J, contain the following statements:

- (a) "Permanent Weight Loss" (Exhibit A)
- (b) "Lose 3-8 pounds per week, safely, economically, and permanently with professional supervision." (Exhibit B)
- (c) "WHAT MAKES A WEIGHT LOSS PROGRAM GREAT? ... Results should be long lasting & offer a lifetime solution to a weight problem ... GUESS WHAT! ... We just described the DOCTORS WEIGHT LOSS PROGRAM." (Exhibits C-E)
- (d) "Doctors Weight Loss Advantage You Keep The Weight Off" (Exhibit F)
- (e) "The best way to lose weight and keep it off" (Exhibit G)
- (f) "TAKE IT OFF ... AND KEEP IT OFF!" (Exhibit H)

(g) "WHAT MAKES OUR PROGRAM THE BEST? ... LONG-LASTING RESULTS ... '3 years later and I'm still slim, trim, healthy. It's no problem staying a size 5'" (Exhibit I)

(h) "I reached my goal and lost 30 lbs. in just 10 weeks." (Exhibit J)

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph six, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that:

(a) DMWLC/DWLC customers typically are successful in reaching their weight loss goals and maintaining their weight loss either long-term or permanently;

(b) DMWLC/DWLC customers typically are successful in maintaining their weight loss achieved under the DMWLC/DWLC diet program; and

(c) DMWLC/DWLC customers typically are successful in reaching their weight loss goals.

PAR. 8. Through the use of the statements contained in the advertisements referred to in paragraph six, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraph seven, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 9. In truth and in fact, at the time respondents made the representations set forth in paragraph seven, they did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, respondents, representation as set forth in paragraph eight was and is false and misleading.

PAR. 10. The advertisements referred to in paragraph five, attached hereto as Exhibits A, C, D-F, and J-N contain the following statements:

(a) "\$11 PER WEEK" (Exhibits A, F, J, L-N)

(b) "\$15 PER WEEK" (Exhibit C)

(c) "\$8 PER WEEK" (Exhibits D and E)

(d) "\$9 PER WEEK" (Exhibit K)

PAR. 11. Through the use of the statements contained in the advertisements referred to in paragraph ten, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that the advertised price is the only cost associated with losing weight on the DMWLC/DWLC weight loss program.

PAR. 12. In truth and in fact, the advertised price is not the only cost associated with losing weight on the DMWLC/DWLC weight loss program. There are substantial, additional mandatory expenses associated with participation in the DMWLC/DWLC weight loss program. Therefore, respondents, representation as set forth in paragraph eleven was and is false and misleading.

PAR. 13. In advertising the price of the DMWLC/DWLC weight loss program, respondents have failed to disclose to consumers the existence and amount of all mandatory expenses associated with participation in the DMWLC/DWLC weight loss program. This fact would be material to consumers in their purchase or use decisions regarding the weight loss program. In light of respondents' representation as set forth in paragraph eleven that the quoted price represents the only cost associated with the DMWLC/DWLC weight loss program, said failure to disclose was and is a deceptive practice.

PAR. 14. The advertisements referred to in paragraph five, attached hereto as Exhibits B, L, M, and N, contain the following statements:

- (a) "Lose 3-8 pounds per week, safely, economically, and permanently with professional supervision." (Exhibit B)
- (b) "START TODAY BE 30 LBS. LIGHTER IN 30 DAYS!" (Exhibit L)
- (c) "LOSE 3 TO 7 LBS. A Week" (Exhibit M)
- (d) "LOSE 3-6 LBS. A WEEK" (Exhibit N)

PAR. 15. Through the use of the statements contained in the advertisements referred to in paragraph fourteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that consumers following the DMWLC/DWLC weight loss program typically lose weight at an average rate of:

- (a) Thirty pounds in thirty days; and
- (b) Three to eight pounds per week.

PAR. 16. The advertisements referred to in paragraph five, attached hereto as Exhibits C-E and N contain the following statements:

- (a) "LOSE UP TO 7 LBS PER WEEK" (Exhibits C, D)
- (b) "LOSE UP TO 6 LBS. PER WEEK" (Exhibit E)
- (c) "Up to 6 lbs. per week weight loss" (Exhibit N)

PAR. 17. Through the use of the statements contained in the advertisements referred to in paragraph sixteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that an appreciable number of consumers following the DMWLC/DWLC weight loss program typically lose weight at an average rate of six to seven pounds per week.

PAR. 18. Through the use of the statements contained in the advertisements referred to in paragraphs fourteen and sixteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraphs fifteen and seventeen, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 19. In truth and in fact, at the time respondents made the representations set forth in paragraphs fifteen and seventeen, they did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, respondents' representation as set forth in paragraph eighteen was and is false and misleading.

PAR. 20. In the routine course and conduct of their business, respondents have provided their customers with diet protocols that required said customers, *inter alia*, to come in to one of respondents' weight loss centers three to six times a week for monitoring of their progress, including weighing in. In the course of regularly ascertaining weight loss progress, respondents, in some instances, have been presented with weight loss results indicating that customers have been losing weight significantly in excess of their projected goals, which is an indication that they may not have been consuming all of the food prescribed by their diet protocol. Such conduct could, if not corrected promptly, result in health complications.

PAR. 21. When presented with the weight loss results described in paragraph twenty, respondents, on many occasions, have not

disclosed to the customers that failing to follow the diet protocol and consume all of the calories prescribed could result in health complications. This fact would be material to customers in their purchase or use decisions regarding the weight loss program. In light of respondents' practice of monitoring customers, said failure to disclose was and is a deceptive practice.

PAR. 22. The acts and practices of respondents as alleged in this complaint constitute deceptive acts or practices, and the making of false advertisements, in or affecting commerce in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

Commissioner Owen was recorded as voting in the affirmative, but dissenting as to the exception requiring full numerical disclosures involving quantitative weight loss maintenance claims in short radio and TV ads.

EXHIBIT A

BRO MONDAY, JUNE 18, 1990. THE MIAMI HERALD 3C

**"FOR THE FIRST TIME EVER!
I WEAR A SIZE 8 AFTER
LOSING 56 LBS."** *Believe
it!*



**Before
178
Lbs.**

"And my doctor is amazed! At last I'm off all blood pressure medication and my cholesterol improved. I spent enormous amounts of money on every other weight loss program but to no avail. At D.Q.W.L. I learned how to eat right, lose weight and keep it off. Everyone comments on the New me!"

**Lila Nikla
Homestead**
*Fast! Safe!
Permanent Weight
Loss*



**After
122
Lbs.**

The Doctors NEW Weight Loss Program Easier Simpler & Faster Than Ever! Learn how to lose weight and keep it off living in today's "Real World", eating Real Food, even Fast Food from McDonalds, Wendys and lots more. Lose weight more easily than you ever thought possible.

Lose weight while eating real food that you buy at the supermarket and prepare yourself.
For your convenience — delicious fresh frozen meals at low supermarket prices.
One on One Personal Supervision thru out. Learn what to eat & how to order while eating at McDonald's, Denny's, Red Lobster, etc... and still lose weight & stay thin for life.

**ONLY \$11* per week
6 wk. minimum**

**Permanent Weight Loss Tapes
Now Available. Open To The Public.
CALL TO SEE HOW EASY IT IS!**

DOCTORS WEIGHT LOSS CENTERS

DADE	BROWARD	PALM BEACH
• Kendall 271-8110	• Weston/Pembroke Pines 432-9247	• Boca Raton 479-4446
• Westchester/Tamiami 551-1121	• Pompano/Deerfield 426-9773	• Delray/Boca 272-5454
• Cutler Ridge 255-0008	• Ft. Lauderdale 563-4699	• North Palm Beach 863-5337
• North Miami Beach 653-5227	• Coral Springs 753-5000	• West Palm Beach 478-1446
• Hialeah 557-4993	• Plantation 749-0995	• Lake Worth 968-2221
• Brickell 372-0057	• Hollywood 961-5033	• Stuart 287-0066
• Aventura 935-0286		
• Homestead 245-4227		

*Weight Loss Varies With The Individual
*Excludes Medical Fees/Supplements. New clients only

WEEKDAYS 8 AM-8 PM — SAT. TILL 1 PM
Major credit cards accepted

Complaint

118 F.T.C.

EXHIBIT B

**Small Business Owners
UNLOCK YOUR BUSINESS POTENTIAL!!**

With over 20 years experience operating & managing small businesses, I am available on a Full/Part Time basis to assist you in the following areas:

- * Accounting
- * Marketing
- * Controlling Inventory
- * Solving Problems
- * Computerizing
- * Planning
- * Managing
- * Scheduling
- * Purchasing
- * Training

Invest in a call to **Dan at TMCS, Inc., 792-4698**, to discuss unlocking your business potential.

DO YOU KNOW...**Being Overweight is Hazardous To Your...
WEALTH?**

You know that being overweight hurts your health. Did you know it hurts your wealth as well? Heavy people are hired less, fired more, paid and promoted less - all because of stereotypes and appearance.

With today's economy, you can't afford not to look your best. Lose 3-8 pounds per week, safely, economically, and permanently with professional supervision. Don't let an expanding waistline cut into your bottom line!

Call now for free consultation

DOCTORS' WEIGHT LOSS CENTERS

Fl. Laud. 563-4699	Pompano 426-9773
Hollywood... 961-5053	Cr. Spg. 753-8000
Plantation... 747-0995	Weston 432-9247
Boca Raton... 477-4446	Delray Beach .. 272-5454

For other locations, call 1-800-940-SLIM

**6% DISCOUNT**

**On All Travel including
Amtrak - SR. Citizen Coupon Booklets
Cruises - Tours - Hotels Etc.**

Not applicable to airline tickets - and special promotional offers

**Investor
convert
to bond**

**Federal Reserve cut
interest rates to 5**

Money

Stendly sliding interest rates, cut another point to 5 1/2 percent week by the Federal Reserve, have prompted income-oriented small investors to shift billions of dollars from low-yielding money-market to bond mutual funds paying 8 percent or more, according to a survey gathered for *Money* magazine's Small Investor Index.

Since mid-December, the Federal Reserve has cut the discount rate — which it charges on loans to banks — three times. During that period, money funds have shrunk from an average 7.4 percent to 5.9 percent. Most analysts expect yields to drop another half-point during the next six weeks.

While some of the cash out of money funds has gone into stocks, income-oriented small investors have rushed into bond funds that still pay 8 percent or more. In March, for instance, the Investment Company Institute reports that investors redeemed \$973 million from money funds and added a net \$4.4 billion to bond funds.

EXHIBIT C

6E Sun-Sentinel, Wednesday, September 19, 1990

WHAT MAKES A WEIGHT LOSS PROGRAM GREAT?*

"I LOST 43 LBS. IN JUST 15 WEEKS"

"I needed HELP! I couldn't do it on my own. It was easy to follow and I wasn't hungry. The nice part was I could eat regular food & still lose!"

...JEAN HALL

LOSE UP TO 7 LBS PER WEEK

BEFORE 167 LBS.

AFTER 124 LBS.

* Must be safe, easy and no special foods to buy
 * Must be flexible in all situations such as eating out in fast food outlets & restaurants
 * Results should be long lasting & offer a life time solution to a weight problem.
 * Must be affordable & Drug Free

GUESS WHAT!... We just described the DOCTORS WEIGHT LOSS PROGRAM. Call now for you FREE consultation.

LAST CHANCE !

\$15 PER WEEK*
 EXP. 9/22/90
 New Programs Only

DOCTORS WEIGHT LOSS CENTERS

DADE	BROWARD	PALM BEACH
Cutler Ridge 255-0008	Weston/Pembroke Pines 432-9247	Boca Raton 478-4448
N. Miami Beach 453-8227	Pompano/Brighton Pt. 406-8773	Delray Beach 272-4464
Mialeah 557-4993	Ft. Lauderdale 563-4899	N. Palm Beach 963-6337
Briarcliff 372-0087	Coral Springs 733-3000	W. Palm Beach 478-1448
Kendall 271-8118	Plantation 749-0995	Lake Worth 969-8221
Westchester/Tamiami 541-1121	Hollywood 941-5033	Stuart 297-8888

*EXCLUDES MEDICAL FEES/SUPPLEMENTS. (6 wk. min.)

Se Habla Español TOLL FREE - 1-800-940-SLIM

Major Credit Cards Accepted HOURS: MON.-FRI. 9 A.M.-7 P.M. SAT. 'TIL 1 P.M.

...this money with interest. This money will be spent without creating a new single job." It recognized that some countries at nationalized their mines had run into difficulties. The copper mining industry in Zambia, where the ANC leadership spent many years in exile, nearly collapsed after nationalization. The paper went on to say that nationalization could stampede killed whites into emigrating and that there would be "serious prob-



1 LB. MAINE LOBSTER
Mon. & Tues.
\$7.99

MIAMI 869 S.W. 107th Ave. 227-2722
S. MIAMI 6272 S. Dixie Hwy. 665-1288
FOR LOCATIONS IN BROWARD CALL
748-8404
Specials not available for take-out... MCAYSA

ABSOLUTE AUCTION
BY ORDER OF DEVELOPER
TWO NEW LUXURY HOMES
SIX LAKEFRONT LOTS
THE HUNT
Lake Worth, FL.

11:00 A.M. Sat. March 16th

All bids to be sold to the highest bidder without reservations or reserves.

Call for detailed brochure

NATIONAL AUCTION SALES COMPANY

AUCTIONEERS & BROKERS & CONSULTANTS
1121 NORTH CONGRESS AVE., SUITE 200
BOYTON BEACH, FLORIDA 33435
(407) 364-7004

OVERWEIGHT MEN, WOMEN AND TEENS I LOST 82 LBS. ...IT WAS EASY

ONLY
\$8 PER WEEK*



WHAT MAKES A WEIGHT LOSS PROGRAM GREAT?*

- * Must be safe, easy and no special foods to buy
 - * Must be flexible in all situations such as eating out in fast food outlets & restaurants
 - * Results should be long lasting & offer a life time solution to a weight problem.
 - * Must be affordable & Drug Free
- GUESS WHAT...**
We just described the **DOCTORS WEIGHT LOSS PROGRAM**. Call now for you **FREE** consultation.

LOSE UP TO 7 LBS. PER WEEK

DOCTORS WEIGHT LOSS CENTER

- | | | |
|--------------------------------------|---------------------------------------|-------------------------------|
| • Cedar Ridge..... 355-0208 | • Weston/Panorama Plaza..... 432-8747 | • Boca Raton..... 479-4444 |
| • Hialeah..... 557-4923 | • Hollywood..... 981-5023 | • Delray Beach..... 272-5454 |
| • Brickell..... 777-0257 | • Ft. Lauderdale..... 563-4699 | • W. Palm Beach..... 478-1446 |
| • Coral Gables..... 771-4110 | • Coral Springs..... 753-5020 | • Lake Worth..... 969-2221 |
| • Westchester/Lanterns..... 551-1121 | • Pompano..... 748-0995 | • Stuart..... 287-0058 |
| • North Miami Beach..... 633-5227 | • Pompano/Leprosaria Pl..... 425-8773 | |
- WL Loss Varies On Individual Based on purchase of 1 yr. Membership So Please Expect Major Credit Cards Accepted

OFF SEASON SALE!



Add Beautiful Living Space.

- Highly Insulated
 - Available in Different Colors
 - Wood Paneling Inside
- Awnings, Shutters, Accordion Screen Enclosures, Roofs, Roll Up Panama Shutters

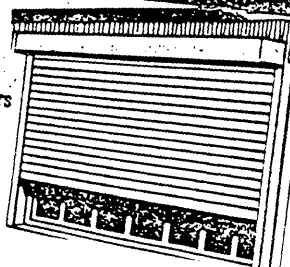


EXHIBIT E

is aren't

■ The acoustics: "The acoustics are good, the production is fabulous, the theater is fabulous. It's just that it's freezing and there are no bathrooms." — Maxine Adler of Palm Beach.

■ The bathrooms: "Awful. They should have one or two extra ones in here. We've been in this line for a long time and we're not even moving." — Sylvia Feiner of Boca Raton.

(Theater designers had vowed that there would be enough restrooms and that there would be little or no waiting time.)

■ Getting to the theater and parking: "It was no problem," said Valentina Sosa, who is here on vacation from Caracas, Venezuela.

sales tax in 1982.

So, Mayhue and supporters went after money from sources that did not hinge on public approval. They persuaded state, county, city, and downtown officials to kick in \$27 million cash, plus \$5 million worth of land. The rest of the money is coming from private donations and a \$6 million loan.

Even so, the arts center stands \$9 million in the red, thanks to overruns and a \$3.2 million shortage in fund-raising.

Staff Writer Tad Woofe contributed to this report.

OVERWEIGHT MEN, WOMEN AND TEENS I LOST 82 LBS. ...IT WAS EASY



BETTY PARDO
BEFORE 232 LBS.
FT. LAUDERDALE



BETTY PARDO
AFTER 150 LBS.
FT. LAUDERDALE

FINAL DAYS!
ONLY \$8 PER WEEK

WHAT MAKES A WEIGHT LOSS PROGRAM GREAT?*

- * Must be safe, easy and no special foods to buy
- * Must be flexible in all situations such as eating out in fast food outlets & restaurants
- * Results should be long lasting & offer a life time solution to a weight problem
- * Must be affordable & Drug Free

GUESS WHAT...
We just described
the DOCTORS
WEIGHT LOSS
PROGRAM. Call
now for your
FREE CONSULTATION
**LOSE UP TO 6
LBS. PER WEEK**

DOCTORS' WEIGHT LOSS CENTERS

• Cutler Ridge	255-0008	• Weston/Pembroke Pines	432-9247	• Boca Raton	479-4446
• Hialeah	557-4993	• Hollywood	961-5033	• Delray Beach	272-5454
• Brickell	372-0057	• Ft. Lauderdale	563-4639	• W. Palm Beach	478-1446
• Kendall	271-8110	• Coral Springs	753-5000	• Lake Worth	969-2221
• Westchester/Tamiami	551-1121	• Plantation	749-0995	• Stuart	287-0066
• North Miami Beach	653-5227	• Pompano/Lighthouse Pl.	426-9773		

Major Credit Cards Accepted • *Based On Purchase of 1 Year Membership • Weight Loss Varies With Individual

AL WINTER CLEARANCE

through Sunday, March 3rd

nal

Exhibit E

Complaint

118 F.T.C.

EXHIBIT F

"NOW AVAILABLE" CHOOSE YOUR OWN WEIGHT LOSS PROGRAM

THRED OF BUYING EXPENSIVE DIET FOOD AT JENNY CRAIG & NUTRI SYSTEM?

PROGRAM #1

- No special Food To Buy
- Eat Real Restaurant & Supermarket food
- One On One Personal Supervision Throughout

PROGRAM #2

For Your Convenience Doctors Weight loss Approved Delicious Fresh Frozen Meals Are Now Available At Low, Low Supermarket Prices! So Why Buy Expensive diet Meals At Other Weight Loss Centers?



"I came to D.W.L.C. where I had been all hopes of losing the weight on my own. I needed a solid program based on real food, with people around all good nutritional guidelines. The care I received exceeded all my expectations: the results have been amazing. My friends, relatives and my doctor don't believe it. (I've even been told to have the picture on my Driver's License renewed because they didn't believe it's still me)"

-Jan Miller

Doctors Weight Loss Advantage

You Keep The Weight Off!

Any Weight Loss Is Bound To Fail Unless you Learn To Live And Eat In Today's Real World, Eating Fast Food Like McDonalds, Wendys And At Restaurants Like Dennys, Red Lobster, Etc....

\$11 Per Week*

New Program Only *\$24.95 in 7-27-90



DOCTORS WEIGHT LOSS CENTERS Call Or Drop In For Free Consultation

FLORIDA		BROWARD	
•Coral Ridge 255-0008	•Briarcliff 372-0057	•Pompano/Light. Pt. 426-9773	•Plantation 749-0095
•N. Miami Beach 653-5227	•Hendall 271-8110	•Ft. Lauderdale 563-6699	•Hallandale 941-5033
•Mialeah 557-4995	•Westchester/Tamiami 551-1121	•Coral Springs 753-5000	•Weston/Pembroke Pines 432-9347

*Excludes Medical Fees/Supplements & Week Min.
Se Habla Español • 18 Locations

Weekdays 9 AM-7 PM, Sat. Till 1 PM

MAJOR CREDIT CARDS ACCEPTED **OPEN EVENINGS & SATURDAY**
TOLL-FREE 1-800-940-SLIM

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Complaint

EXHIBIT G



Margy Masbaum, left, with bachelor/Fort Lauderdale Commissioner Cary Keno and Tara Cannon.



Chris Doone visits with bachelor Chuck Schmidt at the recent fund-raiser held at Stan's.

END OF SUMMER CLEARANCE
 TAKE AN **ADDITIONAL 25% OFF**
 Sale Ends Oct. 19
the tree house
 a children's boutique
 4721 N. Ocean Drive
 Sea Ranch Center
 Ft. Lauderdale

already reduced sale items
 now 30% to 50% OFF
SPECIAL SALE
RACK
 \$5, \$10, \$15, \$20
 Values to \$88
 HRS: MON.-SAT.
 9:30-5:30
 (305) 781-0181

ALL NEW!
HERBAL BALANCE Weight Control Program
NOW AVAILABLE
 Lose weight with us or at home!



Sherry Bishop
 "I'm maintaining my figure with HERBAL BALANCE"

LOSE WEIGHT NO EXPENSIVE FOOD TO BUY!
 Eat at any restaurant you choose... share home cooked meals with your family while losing all the weight you want.
 The best way to lose weight and keep it off with no expensive prepackaged foods to buy.
DOCTORS WEIGHT LOSS CENTERS
Free Consultation and Evaluation
50% OFF NEW PROGRAMS
 Supplements/Herbalbalance Formula:Extra
 Call or Drop In For A Free Consultation
 FT. LAUDERDALE ... 563-4899 HOLLYWOOD ... 981-5033
 PLANTATION ... 749-0995 BOCA RATON ... 479-4446
 CORAL SP. ... 753-5000 DELRAY ... 272-5454
 DADE/PALM BCH. CALL TOLL FREE 1-800-940-SLIM
 MAJOR CREDIT CARDS ACCEPTED • PEOPLE PROVEN

Special Advertising Section

Society East, Friday, Oct. 14, 1988

CRUI
 ABOVE
 FLOP
 INSPECT

Inter
 Design
 by
 Bo
 COMM

115
 Ft. La

Exhibit G

Complaint

118 F.T.C.

EXHIBIT H

200 S. Andrews Ave.

Mention Ad For Free Beverage w/Lunch

525-7656

TAKE IT OFF . . . AND KEEP IT OFF!

Introducing The New Fast Track Program

SPRING SPECIAL

2 FOR 1

BRING A FRIEND AND SAVE
OR COME ALONE AND SAVE 50%

Discover the easy,
fast, one-to-one
approach to
weight loss!

At Doctors Weight Loss Centers we offer an alternative to those group meetings that may cause you embarrassment and make you feel uncomfortable. When you're trying to lose weight, the last thing you need is an audience.

In our private one-on-one consultation you will receive the support and guidance you need from our staff.

CALL FOR FREE INFORMATION AND BROCHURE

DOCTORS WEIGHT LOSS CENTERS

Hollywood 961-5033
Plantation 749-0995
Weston Pembroke 432-9247
Pompano/Lighthouse Pt. 426-9773
Ft. Lauderdale 563-4699
Coral Springs 753-5000

Boca Raton 479-4446
Delray Beach 272-5454
W. Palm Beach 478-1446
Lake Worth 669-2221
Stuart 287-0066
*Weight Loss Varies With Individual

Cutler Ridge 255-0008
N. Miami Bch 653-5227
Hialeah 557-4993
Brickell 372-0057
Kendall 271-8110
Westchester/Tamiami 551-1121

*Major Credit Cards Accepted

259

Complaint

EXHIBIT I

BRO - TUESDAY, NOVEMBER 6, 1990, THE MIAMI HERALD D-17A

FREE WEIGHT LOSS!

Purchase any program by Nov. 10 and receive a gift certificate for the same program FREE! Offer limited to first 25 enrollments this week.

BEFORE



167 LBS.

AFTER



117 LBS.

LATER (3 YRS.)



116 LBS.

WHAT MAKES OUR PROGRAM

- EFFECTIVE
- SAFE
- LONG LASTING RESULTS
- EASY

THE BEST?

- PRIVATE COUNSELING
- INEXPENSIVE - NO PRE-PACKAGED FOODS TO BUY

“3 yrs. later and I’m still slim, trim, & healthy. It’s no problem staying a size 5 ... Wendy Manning, Hollywood

- FLEXIBLE - EAT-IN RESTAURANTS, FAST FOOD OUTLETS OR AT HOME
- DOCTOR APPROVED
- PEOPLE PROVEN

CALL OR DROP IN FOR FREE CONSULTATION

DOCTORS WEIGHT LOSS CENTERS

DADE		BROWARD		PALM BEACH	
• Cutler Ridge	255-0008	• Weston/Pembroke Pines	432-8247	• Boca Raton	478-4446
• North Miami Beach	653-5227	• Pompano/Lighthouse Pt.	426-9773	• Delray Beach	272-5484
• Hialeah	557-4993	• Ft. Lauderdale	563-4899	• W. Palm Beach	478-1446
• Brickell	372-0057	• Coral Springs	753-5000	• Lake Worth	989-2221
• Kendall	271-8110	• Plantation	749-0995	• Stuart	287-0066
• Westchester/Tamiami	551-1121	• Hollywood	961-6033		

SE HABLA ESPAÑOL Major Credit Cards Accepted 24 HOURS: MON.-FRI. 9 A.M.-7 P.M. SAT.-SUN. 11 P.M.

Exhibit I

Complaint

118 F.T.C.

EXHIBIT J

SUNDAY, JUNE 24, 1990, THE MIAMI HERALD • 11A

"I WAS NEVER HUNGRY It Really Works. I'm Living Proof!"



143 Lbs.



113 Lbs.

I didn't know if I could do it, but I had nothing to worry about. I never felt hungry or deprived. I only felt encouraged, especially when I reached my goal and lost 30 lbs. in just 10 weeks. Kim M. Young

Miami

Any weight loss is bound to fail unless you learn to eat at fast food outlets and today's restaurants.

DOCTORS WEIGHT LOSS CENTERS "NEW" 4 PART PROGRAM

1. Lose weight while eating real food that you buy at the supermarket and prepare yourself.
2. Learn what to eat & how to order while eating at McDonald's, Denny's, Red Lobster, etc... and still lose weight & stay thin for life.
3. For your convenience - delicious fresh frozen meals at low, supermarket prices.
4. One on One Personal Supervision thru out.

EASE INTO SUMMER
with a brand new figure
Permanent Weight Loss Tapes
Now Available To The Public.
Call To See HOW EASY IT IS!



**DOCTORS
WEIGHT LOSS
CENTERS**

DADE
• Coral Gables 255-0028
• Ft. Lauderdale 552-5277
• Hialeah 551-4993
• Miami 312-0557
• Pompano 311-0110
• South Beach 561-1121

BROWARD
• Fort Lauderdale 432-0717
• Ft. Lauderdale 436-1773
• Ft. Lauderdale 563-4699
• Coral Springs 751-3000
• Pompano 311-0975
• Hollywood 961-5011

PALM BEACH
• Boca Raton 475-4446
• Ft. Lauderdale 371-5056
• Ft. Palm Beach 853-5333
• Ft. Palm Beach 416-1446
• Lake Worth 963-2271
• Delray 237-0266

Master Credit Cards Accepted
911 (24/7) 9 AM-7 PM

14 week guarantee includes medical supervision

* 20 lbs lost

259

Complaint

EXHIBIT K

The News Monday, July 8, 1991 A7



Designer Labels
Joan Vass • Bettina Riedel
Gene Ewing/Bis • Nancy Heller
Nicole Miller
50% OFF
entire inventory
(excluding dress dresses)
ALEXANDRAS
Harbor Bay Plaza, Stuart • 788-5042

Sail the Incomparable "SAGAFJORD"
at Our **UNBEATABLE** Prices

Caribbean Cruise - 13 Days
Oct. 17 - Oct. 30 Roundtrip Ft. Lauderdale
Call **TERRY - 286-0777**

ADVENTURES UNLIMITED TRAVEL
Monterey Shopping Plaza • Stuart

"Lost 55 Lbs."

"I LOST WEIGHT SO FAST AND I WASN'T HUNGRY"

People now say "You look 20 years younger. How did you do it? Answer: DOCTORS WEIGHT LOSS CENTERS Regia Alvarez • No. Miami"

\$14.99 PER WEEK
on program basis EXPIRES SATURDAY

Call For Free Information & Evaluation

DOCTORS WEIGHT LOSS CENTERS

• STUART 287-0066	• WEST PALM BEACH 478-1446
• BOCA RATON 479-4446	• LAKE WORTH 969-2221
• DELRAY/BOCA 672-5454	

17 LOCATIONS
WEIGHT LOSS VARIES WITH INDIVIDUAL

Credit Cards Accepted • Doctor Approved • People Proven

STORM SHUTTERS
Family Owned & Operated
Serving The Treasure Coast Since 1979

HURRICANE STORM PANELS

"DO IT YOURSELFERS" SPECIALS

PANELS - 2.32' (12" wide)
TOP HEADER - 2.48'



Cover a 6' sliding

Strong
Economical
Easy Installation
Easy Storage
Custom Colors
Available in Additional Colors
Reg. \$189⁰⁰

BAHAMA SHUTTERS

Folds & Locks
Allow Privacy
Attractive New Look For Your Home
Many Colors

WINDOW 37x39 74x51	REG. \$228 ⁰⁰ \$493 ⁰⁰	SALE \$190 ⁰⁰ \$411 ⁰⁰
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ALUMINUM FOLD-DOWN AWNINGS

Exhibit K

Complaint

118 F.T.C.

EXHIBIT L

10A Sun-Sentinel, Monday, June 11, 1990

ATTENTION OVERWEIGHT MEN & WOMEN

HOW TO LOSE WEIGHT AND STAY THIN IN TODAY'S REAL WORLD!

LEARN HOW TO EAT AT McDONALD'S, WENDY'S, PIZZA HUT, DENNY'S RED LOBSTER, ETC...

ONLY \$11* PER WEEK

Minimum 6 wk. Program

START TODAY BE 30 LBS. LIGHTER IN 30 DAYS!

Before 138 1/2 Lbs.

After Weight Loss 114 Lbs. Lost 24 lbs.

Any weight loss is bound to fail unless you learn to eat at fast food outlets and today's restaurants.

DOCTORS WEIGHT LOSS CENTERS HAVE A 4 PART PROGRAM

1. Lose weight while eating real food that you buy at the supermarket and prepare yourself
2. Learn what to eat & how to order while eating at McDonald's, Denny's, Red Lobster, etc... and still lose weight & stay thin for life.
3. For your convenience - delicious fresh frozen meals at low supermarket prices.
4. One on One Personal Supervision thru out

"My husband keeps telling me how good I look. I had low blood sugar before I started DOCTORS WEIGHT LOSS CENTERS. But now I feel great"

Jolanta Gawlik
Riviera Beach, FL

CALL TODAY FOR YOUR FREE CONSULTATION

DOCTORS WEIGHT LOSS CENTERS

DADE	BROWARD	PALM BEACH
• Aventura _____ 335-0288	• Pembroke Pines/Davie _____ 432-8247	• Boca Raton _____ 479-4448
• Homestead _____ 245-4227	• Pompano/Deerfield _____ 428-8773	• Delray Beach _____ 272-5454
• Cutler Ridge _____ 255-0008	• Ft. Lauderdale _____ 563-4699	• N. Palm Beach _____ 863-5337
• N. Miami Bch. _____ 653-5227	• Coral Springs _____ 753-5000	• W. Palm Beach _____ 478-1446
• Hialeah _____ 557-4993	• Plantation _____ 748-0995	• Lake Worth _____ 968-2221
• Brickell _____ 372-0057	• Hollywood _____ 961-5033	• Stuart _____ 287-0086
• Kendall _____ 271-8110		
• Westchester/Tamiami _____ 551-1121	Major Credit Cards Accepted	Se Habla Espanol

EXCLUDES MEDICAL FEES/SUPPLEMENTS

20 CONVENIENT LOCATIONS • TOLL FREE 1-800-940-SLIM

LOCATIONS: MON-FRI 9 AM - 7 PM SAT 10 AM - 6 PM

259

Complaint

EXHIBIT M

PRO MONDAY, AUGUST 6, 1990, THE MIAMI HERALD 3C

LOSE 3 up to 7 lbs. A WEEK for Only \$11* Per WEEK

LOST 25 LBS. IN 8 WEEKS!

"I feel better about myself & physically feel wonderful."

...Kathy Goehi



LOSE 3-7* LBS. A Week for only \$11 per WEEK*

*Limited Offer For New Programs Only Exp. 8/11/90

Lose all the weight you want while learning to live and eat in today's modern world of fast food outlets, Denny's, Red Lobster, Pizza Hut, restaurants, convenience stores, etc.

PROGRAMS FOR MEN, WOMEN, AND TEENS
CALL or DROP-IN for FREE CONSULTATION

DOCTORS WEIGHT LOSS CENTERS

DADE	BROWARD	PALM BEACH
• Corlier Ridge 255-0008	• Weston/Pembroke Pines 432-8247	• Boca Raton 473-4446
• North Miami Beach 633-3227	• Pompano/Bightlake Pl. 426-9773	• Delray Beach 272-5454
• Hialeah 557-4993	• Ft. Lauderdale 563-4699	• Ft. Palm Beach 863-5337
• Brickell 772-0057	• Coral Springs 753-5000	• W. Palm Beach 478-1646
• Kendall 271-8110	• Plantation 768-0955	• Lake Worth 569-2221
• Westchester/Tamiami 551-1121	• Hollywood 961-5033	• Stuart 287-6066

*EXCLUDES MEDICAL FEES/SUPPLEMENTS \$8 week minimum

Se Habla Español **TOLL FREE 1-800-940-SLIM**

HOURS: MON-FRI 9 A.M. - 7 P.M. SAT. 10 A.M. - 5 P.M.

Complaint

118 F.T.C.

EXHIBIT N

Sun-Sentinel, Tuesday, July 31, 1990 9E

NO MORE EXPENSIVE DIET FOOD TO BUY!

BEFORE



**REVOLUTIONARY NEW WAY
TO LOSE WEIGHT
YOU DO IT YOUR WAY!**

AFTER



PROGRAM #1

No special foods to buy. You eat restaurant food or supermarket food you prepare at home. One on one personal supervision throughout. Up to 6 lbs. per week weight loss.

PROGRAM #2

For your convenience, now available, at your supermarket delicious money saving, fresh frozen meals 100% compatible with the Doctors Weight Loss Program. There's no need to buy expensive diet meals at other weight loss centers ever again!

**LOSE 3-6* LBS. A WEEK
for only
\$11 PER WEEK***

*Limited Offer for New Program only
Expires 8/4/90

When I started I had high blood pressure and my cholesterol was 269. In just two months my cholesterol had dropped to 173 and my blood pressure is very good.

Luella Holmes

DOCTORS WEIGHT LOSS ADVANTAGE:

Lose the weight you want, inexpensively, and do it your way. You'll take the weight off and learn to keep it off while learning to live and eat in today's modern world eating at fast food outlets, convenience stores, and restaurants.

DOCTORS WEIGHT LOSS CENTERS

DADE	BROWARD	PALM BEACH
• Cutler Ridge _____ 253-0008	• Weston/Pembroke Pines _____ 432-8247	• Boca Raton _____ 478-4448
• Ft. Miami Beach _____ 533-5227	• Pompano/Brighton, FL _____ 426-8772	• Delray Beach _____ 272-5454
• Hialeah _____ 557-4893	• Ft. Lauderdale _____ 543-4899	• Ft. Palm Beach _____ 863-5337
• Brickell _____ 372-0057	• Coral Springs _____ 753-5000	• W. Palm Beach _____ 478-1448
• Kendall _____ 271-4116	• Plantation _____ 748-0095	• Lake Worth _____ 888-3221
• Westchester/Tamiami _____ 551-1121	• Hollywood _____ 951-8033	• Stuart _____ 287-0028

*LOSES CLOSES MEDICAL FEES/SUPPLEMENTS (10 min.)

TOLL FREE 1-800-940-SLIM

MON-FRI 9 A.M. - 7 P.M. SAT 10 A.M. - 5 P.M.

Exhibit N

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 Bureau of Consumer Protection 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 had 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, makes the following jurisdictional findings and enters the following order:

1. Respondents DMWLC and DWLC are corporations organized, existing and formerly doing business under and by virtue of the laws of the State of Florida, with their offices and principal place of business located at 5479 A North Federal Highway, Fort Lauderdale, Florida.

2. Respondent Joyce A. Schuman is an individual with her principal residence located at 2730 Sea Island Drive, Fort Lauderdale, Florida.

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

ORDER

DEFINITIONS

For the purposes of this order, the following definitions shall apply:

A. “*Competent and reliable scientific evidence*” shall mean those tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that have been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results;

B. “*Weight loss program*” shall mean any program designed to aid consumers in weight loss or weight maintenance;

C. A “*broadcast medium*” shall mean any radio or television broadcast, cablecast, home video, or theatrical release;

D. For any order-required disclosure in print media to be made “clearly and prominently,” or in a “clear and prominent manner,” it must be given both in the same type style and in: (1) twelve point type where the representation that triggers the disclosure is given in twelve point or larger type; or (2) the same type size as the representation that triggers the disclosure where that representation is given in a type size that is smaller than twelve point type. For any order-required disclosure given orally in a broadcast medium to be made “clearly and prominently,” or in a “clear and prominent manner,” the disclosure must be given at the same volume and in the same cadence as the representation that triggers the disclosure;

E. A “*short broadcast advertisement*” shall mean any advertisement of thirty seconds or less duration made in a broadcast medium.

I.

It is ordered, That respondents DMWLC, a corporation, DWLC, a corporation, their successors and assigns, and their officers, and Joyce A. Schuman, individually and as an officer of said corporations, and respondents, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, or sale of any weight loss program, in or affecting commerce, as

“commerce” is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Making any representation, directly or by implication, about the success of participants on any weight loss program in achieving or maintaining weight loss or weight control unless, at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation, provided, further, that for any representation that:

(1) Any weight loss achieved or maintained through the weight loss program is typical or representative of all or any subset of participants of respondents’ program, said evidence shall, at a minimum, be based on a representative sample of:

(a) All participants who have entered the program, where the representation relates to such persons; provided, however, that the required sample may exclude those participants who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or

(b) All participants who have completed a particular phase of the program or the entire program, where the representation only relates to such persons;

(2) Any weight loss is maintained long-term, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of at least two years from their completion of the active maintenance phase of respondents, program or earlier termination, as applicable; and

(3) Any weight loss is maintained permanently, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of time after completing the program that is either:

(a) Generally recognized by experts in the field of treating obesity as being of sufficient length for predicting that weight loss will be permanent, or

(b) Demonstrated by competent and reliable survey evidence as being of sufficient duration to permit such a prediction.

B. Representing, directly or by implication, except through endorsements or testimonials referred to in paragraph I.E. herein, that participants of any weight loss program have successfully maintained weight loss, unless respondents disclose, clearly and prominently, and in close proximity to such representation, the statement: "For many dieters, weight loss is temporary"; provided, further, that respondents shall not represent, directly or by implication, that the above-quoted statement does not apply to dieters in respondents' weight loss program; provided, however, that a mere statement about the existence, design or content of a maintenance program shall not, without more, be considered a representation that participants of any weight loss program have successfully maintained weight loss.

C. Representing, directly or by implication, except through short broadcast advertisements referred to in paragraph I.D. herein, and except through endorsements or testimonials referred to in paragraph I.E. herein, that participants on any weight loss program have successfully maintained weight loss, unless respondents disclose, clearly and prominently, and in close proximity to such representation, the following information:

(1) The average percentage of weight loss maintained by those participants;

(2) The duration over which the weight loss was maintained, measured from the date that participants ended the active weight loss phase of the program, provided, further, that if any portion of the time period covered includes participation in a maintenance program(s) that follows active weight loss, such fact must also be disclosed; and

(3) If the participant population referred to is not representative of the general participant population for respondents' programs:

(a) The proportion of the total participant population in respondents' programs that those participants represent, expressed in terms of a percentage or actual numbers of participants, or

(b) The statement: "[Doctors Medical Weight Loss Centers/Doctors Weight Loss Centers] makes no claim that this [these] result[s] is [are] representative of all participants in the [Doctors Medical Weight Loss Centers/Doctors Weight Loss Centers] program."

provided, further, that compliance with the obligations of this paragraph I.C. in no way relieves respondents of the requirement under paragraph I.A. of this order to substantiate any representation about the success of participants on any weight loss program in maintaining weight loss.

D. Representing, directly or by implication, in short broadcast advertisements, that participants of any weight loss program have successfully maintained weight loss, unless respondents:

(1) Include, clearly and prominently, and in immediate conjunction with such representation, the statement: "Check at our centers for details about our maintenance record";

(2) For a period of time beginning with the date of the first broadcast of any such advertisement and ending no sooner than thirty days after the last broadcast of such advertisement, comply with the following procedures upon the first presentation of any form asking for information from a potential client, but in any event before such person has entered into any agreement with respondents:

(a) Give to each potential client a separate document entitled "Maintenance Information," which shall include all the information required by paragraph I.E. and subparagraphs I.C. (I)-(3) of this order and shall be formatted in the exact type size and style as the example form below, and shall include the heading (Helvetica 14 point bold), lead-in (Times Roman 12 point), disclosures (Helvetica 14 point bold), acknowledgment language (Times Roman 12 point), and signature block therein; provided, further, that no information in addition to that required to be included in the document required by this subparagraph I.D (2) shall be included therein;

MAINTENANCE INFORMATION

You may have seen our recent ad about maintenance success. Here's some additional information about our maintenance record.

[Disclosure of maintenance statistics goes
hereXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXX]
For many dieters, weight loss is temporary.

I have read this notice. _____
(Client Signature) (Date)

- (b) Require each potential client to sign such document; and
- (c) Give each client a copy of such document; and

(3) Retain in each client file a copy of the signed maintenance notice required by this paragraph; provided, further, that:

(i) Compliance with the obligations of this paragraph I.D. in no way relieves respondents of the requirement under paragraph I.A. of this order to substantiate any representation about the success of participants on any weight loss program in maintaining weight loss;

(ii) Respondents must comply with both paragraph I.D. and paragraph I.C. of this order if respondents include in any such short broadcast advertisement a representation about maintenance success that states a number or percentage, or uses descriptive terms that convey a quantitative measure such as "most of our customers maintain their weight loss long-term";

provided, however, that the provisions of paragraph I.D. shall not apply to endorsements or testimonials referred to in paragraph I.E. herein.

E. Using any advertisement containing an endorsement or testimonial about weight loss success or weight loss maintenance success by a participant or participants of respondents' weight loss programs if the weight loss success or weight loss maintenance success depicted in the advertisement is not representative of what participants of respondents' weight loss programs generally achieve, unless respondents disclose, clearly and prominently, and in close

proximity to the endorser's statement of his or her weight loss success or weight loss maintenance success:

(1) What the generally expected success would be for DMWLC/DWLC customers in losing weight or maintaining achieved weight loss; provided, however, that the generally expected success for DMWLC/DWLC customers may exclude those customers who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or

(2) One of the following statements:

- (a) "You should not expect to experience these results."
- (b) "This result is not typical. You may not do as well."
- (c) "This result is not typical. You may be less successful."
- (d) "_____'s success is not typical. You may not do as well."
- (e) "_____'s experience is not typical. You may achieve less."
- (f) "Results not typical."
- (g) "Results not typical of program participants."

provided, further, that if the endorsements or testimonials covered by this paragraph are made in a broadcast medium, any disclosure required by this paragraph must be communicated in a clear and prominent manner, and in immediate conjunction with the representation that triggers the disclosure;

provided, however, that:

(i) For endorsements or testimonials about weight loss success, respondents can satisfy the requirements of subparagraph I.E. (1) by accurately disclosing the generally expected success in the following phrase: "Doctors Medical Weight Loss Centers, Inc./Doctors Weight Loss Centers, Inc., participants lose an average of ____ pounds over an average ____ - week treatment period"; and

(ii) If the weight loss success or weight loss maintenance success depicted in the advertisement is representative of what participants of a group or subset clearly defined in the advertisement generally achieve, then, in lieu of the disclosures required in either subparagraphs I.E. (1) or (2) herein, respondents may substitute a clear and prominent disclosure of the percentage of all of respondents,

customers that the group or subset defined in the advertisement represents.

F. Representing, directly or by implication, that the price at which any weight loss program can be purchased is the only cost associated with losing weight on that program, unless such is the case.

G. Representing, directly or by implication, the price at which any weight loss program can be purchased, unless respondents disclose, clearly and prominently, either:

(1) In close proximity to such representation, the existence and amount of all mandatory fees associated with the program offered; or

(2) In immediate conjunction with such representation, one of the following statements:

(a) "Plus the cost of [list of products or services that participants must purchase at additional cost]"; or

(b) "Purchase of [list of products or services that participants must purchase at additional cost] required";

provided, further, that in broadcast media, if the representation that triggers any disclosure required by this paragraph is oral, the required disclosure must also be made orally.

H. Failing to disclose over the telephone, for a period beginning with the date of any advertisement of the price at which any weight loss program can be purchased and ending no sooner than 180 days after the last dissemination of such advertisement, to consumers who inquire about the cost of any weight loss program, or are told about the cost of any weight loss program, the existence and amount of any and all mandatory costs or fees associated with participation in the program; provided, however, that respondents may satisfy this requirement by directing their weight loss centers to disclose the information, by providing the center personnel with suggested language to be used when responding to phone inquiries and by making their best efforts to ensure compliance with their directive to disclose price information over the telephone.

I. Representing, directly or by implication, that prospective participants in respondents' weight loss programs will reach a specified weight within a specified time period, unless at the time of

making such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation.

J. Representing, directly or by implication, the average or typical rate or speed at which any participant on any weight loss program has lost or will lose weight, unless at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

K. Failing to disclose, clearly and prominently, either (1) to each participant who, after the first two weeks on the program, is experiencing average weekly weight loss that exceeds two percent (2%) of said participant's initial body weight, or three pounds, whichever is less, for at least two consecutive weeks, or (2) in writing to all participants when they enter the program, that failure to follow the program protocol and eat all of the food recommended may involve the risk of developing serious health complications.

L. Misrepresenting, directly or by implication, the performance, efficacy, or safety of any weight loss program.

II.

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 respondents such as dissolution, assignment, or sale resulting in the emergence of a successor corporations, the creation or dissolution of subsidiaries, or any other change in the corporations that may affect compliance obligations arising out of this order.

III.

It is further ordered, That respondent Joyce A. Schuman shall promptly notify the Commission of the discontinuance of her present business or employment and of her affiliation with a new business or employment. In addition, for a period of three (3) years from the service date of this order, the individual respondent shall promptly notify the Commission of each affiliation with a new business or employment whose activities relate to the advertising, promotion, offering for sale, or sale of any weight loss program. When so required under this paragraph, each such notice shall include the

individual respondent's new business address and a statement of the nature of the business or employment in which the individual respondent is newly engaged, as well as a description of the individual respondent's duties and responsibilities in connection with the business or employment. The expiration of the notice provision of this paragraph shall not affect any other obligation arising under this order.

IV.

It is further ordered, That for three (3) years after the last date of dissemination of any representation covered by this order, respondents, or their successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials possessed and relied upon to substantiate any such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

V.

It is further ordered, That respondents shall distribute a copy of this order to each of their officers, agents, representatives, independent contractors and employees who are involved in the preparation and placement of advertisements or promotional materials or in communication with customers or prospective customers or who have any responsibilities with respect to the subject matter of this order; and, for a period of three (3) years from the date of entry of this order, distribute same to all future such officers, agents, representatives, independent contractors and employees.

VI.

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

QUICK WEIGHT LOSS CENTERS, INC., ET AL. (TEXAS)

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SECS. 5 AND 12 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3517. Complaint, Aug. 11, 1994--Decision, Aug. 11, 1994*

This consent order prohibits, among other things, the Texas commercial diet program company and its officers from misrepresenting the performance or safety of any diet program they offer in the future, and requires the respondents to possess competent and reliable scientific evidence to substantiate any future claims they make about weight loss, weight loss maintenance, or rate of weight loss; to make a number of disclosures regarding maintenance success claims; and to disclose all mandatory fees.

Appearances

For the Commission: *Eric Bash, Matthew Daynard and Richard F. Kelly.*

For the respondents: *Gabriel Imperato, Broad & Cassell, Fort Lauderdale, FL.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Quick Weight Loss Centers, Inc., a Texas corporation (hereinafter, "QWLC-Tex."), Don K. Gearheart, individually and as an officer of said corporation, and Joyce A. Schuman, individually and as an officer of said corporation (hereinafter, collectively, "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. (a) Respondent QWLC-Tex. is a Texas corporation, formerly doing business, with its principal office and place of business located at 2900 Gateway, Suite 605, Irving, Texas.

(b) Respondent Don K. Gearheart is an officer of the corporate respondent. Individually or in concert with others, he formulates, directs, and controls the acts or practices of the corporate respondent, including the acts or practices alleged in this complaint. His principal