

IN THE MATTER OF

AMERICAN INSTITUTE OF SMOKING CESSATION, ET AL.

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

Docket C-3560. Complaint, March. 3, 1995--Decision, March. 3, 1995

This consent order prohibits, among other things, an Illinois-based company and its two officers from making any representation about the relative or absolute performance or efficacy of any smoking cessation or weight loss program, unless they possess and rely upon competent and reliable scientific evidence to substantiate the representation, and from representing, through any endorsement or testimonial, the achievements of participants who attend their smoking cessation or weight-loss seminars unless the representation reflects the typical or ordinary experience of participants of such programs. In addition, the consent order prohibits the respondents from misrepresenting the contents, results or validity of any study, test, survey or report.

Appearances

For the Commission: *Matthew Daynard.*

For the respondents: *Robert E. Kehoe* and *Daniel S. Kaplan,*
Wildman, Harrold, Allen & Dixon, Chicago, IL.

COMPLAINT

The Federal Trade Commission, having reason to believe that American Institute of Smoking Cessation, Inc. ("AISC"), a corporation, Kenneth C. Grossman, individually and as an officer of said corporation, and Jane A. Grossman, individually and as an officer of said corporation ("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 AISC is an Illinois corporation, with its principal office and place of business at 318 South Garfield, Hinsdale, Illinois.

Respondents Kenneth C. Grossman and Jane A. Grossman are, respectively, the President/Treasurer and Vice-President/Secretary

and sole directors and shareholders of the corporate respondent. Together, they formulate, direct, and control the acts and practices of the corporate respondent, including the acts and practices alleged in this complaint. Their principal office or place of business is the same as that of the corporate respondent.

PAR. 2. Respondents have advertised, offered for sale, and sold seminars for smoking cessation and weight loss known as "The Grossman Method," and other stop-smoking and weight-loss seminars, to consumers. The Grossman Method seminar consists of a single group hypnosis session, three hours in length, provided to consumers by Kenneth Grossman at various sites throughout the United States.

PAR. 3. 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. 4. Respondents have disseminated or have caused to be disseminated advertisements for The Grossman Method seminar, including but not necessarily limited to the attached Exhibits A-F. These advertisements contain the following statements:

A. "STOP SMOKING IN JUST 3 HOURS FLAT! WITHOUT ANXIETY, IRRITABILITY OR WEIGHT GAIN! . . . The Grossman Method of Hypnosis has helped over 300,000 smokers during the past 15 years. Of those motivated smokers who join us, up to 98% will throw away their cigarettes and stop smoking by seminar's end. I personally guarantee it. . . . This is the ORIGINAL STOP SMOKING IN THREE HOURS FLAT SEMINAR developed and presented by Dr. Kenneth Grossman. Over the years, many others have tried to imitate it, but they simply cannot duplicate it. Kenneth Grossman, Ph.D., developed this seminar during a career of over 15 years as a clinical hypnotherapist helping people to stop smoking and rid themselves of unwanted habits. . . . ELIMINATES YOUR DESIRE FOR CIGARETTES . . . See, hear and experience it for yourself--and then stop smoking completely. You'll be able to do anything you've done before, but you'll do it without smoking. . . . You'll be able to be around others who smoke, and their smoking won't bother or upset you. No matter how much you smoke, or how long you've been smoking, this seminar ELIMINATES THE CRAVING, URGE AND DESIRE TO SMOKE The Grossman method is safe and effective and it has helped tens of thousands of heavily addicted smokers to become non-smokers in one relaxing and enjoyable 3 hour seminar. LOSE WEIGHT FREE. Now you can use the Grossman Method of Hypnosis to help you lose weight. . . . 'The Weight Loss Program is terrific. In two months I've lost 47 pounds. I went from a size 18 to a size 12!! It's been a great summer at the beach.' Gerri Cheek. . . . 'I lost 28 pounds in just six weeks. I lost the weight so fast and easy that my family and friends were astonished.' John Cain" (Exhibit A)

B. "STOP SMOKING IN JUST THREE HOURS FLAT! WITHOUT ANXIETY, IRRITABILITY OR WEIGHT GAIN! . . . The Grossman Method of Hypnosis has helped over 300,000 smokers during the past 15 years. Of those motivated smokers who join us, over 98% will throw away their cigarettes and stop smoking by seminar's end. I personally guarantee it. . . . ELIMINATES YOUR DESIRE FOR CIGARETTES . . . I know you! You've tried to quit smoking many times before--but nothing worked. Not nicorette gum. Not the 'patch.' Not 'cold turkey.' Not willpower. And not even other forms of hypnosis. The Grossman Method of Hypnosis is unique. It is guaranteed to end your smoking habit in just one relaxing and enjoyable three hour seminar. No matter how much you smoke, or how long you've been smoking, this seminar ELIMINATES THE CRAVING, URGE AND DESIRE TO SMOKE. You won't be unconscious. You'll be aware of everything. Yet, you'll be in a pleasant state of hypnosis which will help you overcome your desire for cigarettes once and for all. The Grossman Method of Hypnosis is safe and effective and it has helped thousands permanently become non-smokers. . . . DOCTOR RECOMMENDED. . . . LOSE WEIGHT FREE Lose weight the quick, safe and healthy way. Eliminate food Cravings, anxiety and guilt" (Exhibit B)

C. "STOP SMOKING IN JUST 3 HOURS FLAT! . . . ELIMINATES YOUR DESIRE FOR CIGARETTES! . . . THE PAINLESS WAY TO QUIT SMOKING . . . HIGHLY RECOMMENDED BY MEDICAL DOCTORS! Dr. Grossman developed his revolutionary seminar after many years of clinical research with heavy tobacco users. This seminar is so effective that it is highly recommended by medical doctors and other health professionals. . . . LOSE WEIGHT FREE . . . Now you can use the Grossman Method of Hypnosis to help you lose weight... Lose weight the quick, safe and healthy way. . . . 'The Weight Loss Program is terrific. In two months I've lost 47 pounds. I went from a size 18 to a size 12!! It's been a great summer at the beach.' Gerri Cheek Hanover, MD. . . . 'I lost 28 pounds in just six weeks. I lost the weight so fast and easy that my family and friends were astonished.' John Cain Springfield, IL" (Exhibit C)

D. "STOP SMOKING IN THREE (3) HOURS FLAT! . . . See, hear and experience it for yourself--and then throw away your cigarettes and stop smoking completely. . . . Your energy level will increase. You'll feel better about yourself. You will save hundreds of dollars each year. You will reduce your chances of getting heart disease, cancer, or lung disease. Don't miss this--it's the easiest way to quit! . . . Warning: Seminars are not all the same. Don't confuse Dr. Grossman's seminar with others that may sound like his but are quite different. This is the original program that has helped thousands of smokers quit for good without shots, pills, gum or expensive follow-up treatments. LOSE WEIGHT FREE!! If you are concerned about gaining weight when you stop smoking, or want to lose excess pounds, this program can help you lose your desire for fattening foods without dieting and without willpower. . . ." (Exhibit D)

E. "THE GUARANTEED GROSSMAN METHOD Has Helped Thousands to Become Non-Smokers!!

'After attending this session 3 years ago, I never thought of smoking again. It was one of the easiest things I have ever done.' I highly recommend it to anyone who wants to quit smoking.' Gerald Vermeulen, MD Physician Joliet, IL.

'I attended your seminar three years ago and quit smoking after 38 years of killing myself . . . ' Floyd Girvin Memphis, TN.

'This seminar was the beginning of a whole new life for me. I attended your program over a year ago and to this day I have not even touched a cigarette! . . . ' Katy Taylor Dunedin, FL.

'I smoked 2 packs a day for 45 years and quit 9 years ago with this seminar. This was the best investment in time and money I've ever made. I've saved; thousands of dollars! I feel healthy and alive! I've sent dozens of people to this seminar and they are all non-smokers too.' Andy Post Worth, IL.

'I quit smoking at this seminar in 1989 after 34 years of 2-1/2 packs a day... Dortha Thaxton Blytheville, AR.

'Thanks to your program I have been smoke free for almost 4 years! I had smoked 3 packs a day for 15 years.' Hugh Hawkins Salisbury, NC." (Exhibit E)

F. "STOP SMOKING GUARANTEED In Just 3 Hours Flat! Without Anxiety, Irritability or Weight Gain! . . . Proven 97.22% Effective . . . Our method is so effective that at many of our seminars 100% of the participants stop smoking for good. At a seminar we conducted last year for Jefferson Memorial Hospital in Crystal City, Mo, 97.22% of the participants quit smoking! These amazing results were verified by 2 separate follow-up surveys conducted by both the American Institute of Smoking Cessation and Jefferson Memorial Hospital." (Exhibit F)

PAR. 5. Through the use of statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisements attached as Exhibits A-E, respondents have represented, directly or by implication, that:

A. Participants who attend respondents' single-session group hypnosis seminar typically are cured of smoking addiction and permanently abstain from smoking cigarettes.

B. Participants who attend respondents' single-session group hypnosis seminar are cured of smoking addiction without experiencing irritability, anxiety or weight gain.

C. Over three hundred thousand consumers have permanently quit smoking as a result of attending respondents' single-session, group hypnosis seminar over the last fifteen years.

D. Up to or over 98% of consumers attending respondents' single-session group hypnosis seminar have quit smoking.

E. Respondents' single-session group hypnosis seminar is more efficacious for smoking cessation than other stop-smoking methods.

PAR. 6. Through the use of the statements in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisements attached as Exhibits A-E, respondents have

represented, directly or by implication, that at the time they made the representations set forth in paragraph five, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 7. In truth and in fact, at the time that they made the representations set forth in paragraph five, respondents did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representation set forth in paragraph six was, and is, false and misleading.

PAR. 8. Through the use of statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit F, respondents have represented, directly or by implication, that surveys prove that ninety-seven to one hundred percent of the participants who attend respondents' smoking cessation seminars permanently abstain from smoking after attending those seminars.

PAR. 9. In truth and in fact, follow-up surveys do not prove that ninety-seven to one hundred percent of the participants who attend many of respondents' smoking cessation seminars permanently abstain from smoking after attending those seminars. Therefore, the representation set forth in paragraph eight was, and is, false and misleading.

PAR. 10. Through the use of the statements in the advertisements referred to in paragraph four, including but not limited to the advertisement attached as Exhibits A and C, respondents have represented, directly or by implication, that participants who attend respondents' single-session group hypnosis seminar typically achieve weight loss quickly.

PAR. 11. Through the use of the statements in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit B, respondents have represented, directly or by implication, that at the time they made the representation set forth in paragraph ten, respondents possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 12. In truth and in fact, at the time that they made the representation set forth in paragraph ten, respondents did not possess and rely upon a reasonable basis that substantiated such representation. 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 constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

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Complaint

EXHIBIT A

THE GUARANTEED GROSSMAN METHOD

STOP SMOKING IN JUST 3 HOURS FLAT!

Without Anxiety, Irritability or Weight Gain!

\$ 39⁹⁹ COMPLETE

NO SHOTS! NO PILLS! NO PATCHES! NO GUM!

AURORA TUESDAY-DECEMBER 1 7:00PM HOLIDAY INN-SOUTHEAST DENVER 3200 S. Parker Rd. (I-225, Exit Parker Rd.)	NORTHGLENN WEDNESDAY-DECEMBER 2 7:00PM HOLIDAY INN-NORTHGLENN 10 East 120th Ave. (I-25, Exit 223)	LAKEWOOD THURSDAY-DECEMBER 3 7:00PM SHERATON DENVER WEST 360 Union Blvd. (8th Ave. Exit Santa/Urbano)
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NOTICE: All programs will be personally presented by Dr. Kenneth Grossman, Registrar at the door at 6:30 PM. Cash, Check, Visa, MasterCard and American Express are all welcome. Bring all your cigarettes. This seminar is fun! Bring your friends and stop smoking together! FOR INFORMATION ON SPECIAL GROUP DISCOUNTS OR ON-SITE CORPORATE PROGRAMS, CALL 1-800-225-4336.



"The Grossman Method of Hypnosis has helped over 300,000 smokers during the past 15 years. Of those thousands of smokers who got up to 85% off their daily cigarette habit and also saving by smoking less, I personally guarantee it." Kenneth Grossman, Ph.D.

ABOUT YOUR SEMINAR LEADER

This is the ORIGINAL STOP SMOKING IN THREE HOURS FLAT SEMINAR developed and presented by Dr. Kenneth Grossman. Over the years many others have tried to imitate it, but they simply cannot duplicate it.

Kenneth Grossman, Ph.D., developed this seminar during a career of over 15 years as a clinical hypnotherapist helping people to stop smoking and rid themselves of unwanted habits. He taught many hypnosis related seminars at the college level including the widely acclaimed "Self-Hypnosis for Self-Improvement Seminar" which empowers the students to focus the power of their mind to accomplish any goal they can conceive.

He studied at Eastern Michigan University, the University of Nebraska, the University of Chicago and earned his doctorate in Clinical Hypnotherapy from the American Institute of Hypnotherapy. He is listed in Who's Who in Professional Speaking and Who's Who in the Midwest.

"This is the best, simplest, most straight forward and convenient program I have ever come across. I highly recommend it!"

Dr. Ronald Conden, Elgin, Illinois

ELIMINATES YOUR DESIRE FOR CIGARETTES

See, hear and experience it for yourself --and then stop smoking completely. You'll be able to do anything you've done before, but you'll do it without smoking. You'll be able to finish a meal, have a cup of coffee, have a beer, go to the bathroom, talk on the phone, watch TV, drive an automobile, take a break --or anything else. But you'll do it without smoking. You'll be able to be around others who smoke, and their smoking won't bother or upset you. No matter how much you smoke, or how long you've been smoking, this seminar ELIMINATES THE CRAVING, URGE AND DESIRE TO SMOKE.

YOU ARE ALWAYS IN CONTROL

You won't be unconscious. You'll be aware of everything. Yet you'll be in a pleasant state of hypnosis which will help to overcome your desire for cigarettes once and for all. The Grossman Method of Hypnosis is safe and effective and it has helped tens of thousands of heavily addicted smokers to become non-smokers in one relaxing and enjoyable 3 hour seminar.

WRITTEN MONEY BACK GUARANTEE

We are so sure that you will stop smoking that WE PERSONALLY GUARANTEE YOUR RESULTS. If for any reason, BEFORE THE END OF THE SEMINAR, you are not satisfied, we will refund your money on the spot, no questions asked. If, for any reason, you ever go back to smoking, you may attend another Grossman Method Stop Smoking Seminar FREE OF CHARGE.

LOSE WEIGHT FREE

Now you can use the Grossman Method of Hypnosis to help you lose weight. If you are concerned about gaining weight when you stop smoking, or would like to lose those extra pounds, the WEIGHT LOSS SEMINAR IS ABSOLUTELY FREE WHEN YOU ATTEND THE STOP SMOKING SEMINAR. The Weight Loss Hypnosis will take place immediately following the Stop Smoking Seminar. (Plan on an additional 35 minutes.) If you attend both seminars the Weight Loss Program is FREE! If you are a non-smoker who wishes to lose weight with the Weight Loss Program, you MUST register at 6:30 and attend the program from 7:00PM to 10:30 PM. Your fee is only \$35.95.

Presented as a public service by AMERICAN STOP SMOKING SEMINARS, INC. Hypnosis always works!

"The Weight Loss Program is terrific. In two months I've lost 47 pounds. I went from a size 18 to a size 12! It's been a great summer at the beach!"

Gerrit Cheek

"I lost 28 pounds in just six weeks...lost the weight so fast and easy that my family and friends were astonished!"

John Galt

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SMOKERS BRING THIS AD FOR AN EXTRA BONUS!

Exhibit A

EXHIBIT B

THE GUARANTEED GROSSMAN METHOD

STOP SMOKING

IN JUST 3 HOURS FLAT!

**WITHOUT ANXIETY,
IRRITABILITY
OR WEIGHT GAIN!**

\$ 39⁹⁹

NO HIDDEN COSTS



"The Grossman Method of Hypnosis has helped over 300,000 smokers during the past 15 years. Of those recovered smokers who put us, over 98% will throw away their cigarettes and stop smoking by seminars and I personally guarantee it."

OVERLAND, KS
WEDNESDAY - JUNE 23
7:00 PM
 RAMADA INN - SOUTHWEST
 8787 Reeder Rd.
(I-35, Exit 87th St. East)

KANSAS CITY, MO
THURSDAY - JUNE 24
7:00 PM
 ADAM'S MARK HOTEL
 9103 E. 39th St.
(I-70 and the Truman Sports Complex)

NOTICE: Register at the door at 6:30 PM. Cash, check, Visa, Mastercard and American Express are all welcome. Bring all your cigarettes. This seminar is fun! Bring your friends and stop smoking together! FOR INFORMATION ON CORPORATE DISCOUNTS, CALL 1-800-225-6580 OR FAX 1-708-325-5485.

ELIMINATES YOUR DESIRE FOR CIGARETTES

I know you! You've tried to quit smoking many times before--but nothing worked. Not nicotine gum. Not the "patch". Not "cold turkey". Not willpower. And not even other forms of hypnosis.

The Grossman Method of Hypnosis is unique. It is guaranteed to end your smoking habit in just one relaxing and enjoyable 3 hour seminar. No matter how much you smoke, or how long you've been smoking, this seminar **ELIMINATES THE CRAVING, URGE AND DESIRE TO SMOKE.**

You won't be unconscious. You'll be aware of everything. Yet, you'll be in a pleasant state of hypnosis which will help you to overcome your desire for cigarettes once and for all. The Grossman Method of Hypnosis is safe and effective and it has helped thousands permanently become non-smokers.

WRITTEN MONEY BACK GUARANTEE

I am so sure that you will stop smoking that I **PERSONALLY GUARANTEE YOUR RESULTS.** If for any reason, **BEFORE THE END OF THE SEMINAR**, you are not satisfied, I will refund your money on the spot, no questions asked. Also, you will receive a written Guarantee Card. If you ever go back to smoking, it entitles you to attend another Grossman Method Stop Smoking Seminar **FREE OF CHARGE.**

DOCTOR RECOMMENDED

"Excellent explanation of hypnosis and the hypnotic process. By the end of the session I was a non-smoker easily and effectively."
Steven Teller, MD Physician Morris, IL

"This is the best, simplest, most straight forward program I have ever come across. I recommend it."
Ronald Condon, DDS Dentist Elgin, IL

"I highly recommend it."
Gerald Vermeulen, MD Physician Joliet, IL

"This program is well explained and of great value."
Frank L. Wilkie, MD Physician Elgin, IL

"I strongly advise it to everyone who smokes."
Joel Needleman, DDS Dentist Ingleside, TX

"I refer my smoking patients to this program."
Karl R. Corral, MD Physician Tampa, FL

"This worked! Before this program I tried patches and everything else without success."
James P. O'Dwyer, DDS Dentist Nashville, TN

LOSE WEIGHT FREE

Now you can use the Grossman Method of Hypnosis to help you lose weight. The **WEIGHT LOSS SEMINAR IS ABSOLUTELY FREE** WHEN YOU ATTEND THE STOP SMOKING SEMINAR. Lose weight the quick, safe and healthy way. Eliminate food cravings, anxiety and guilt. The Weight Loss Hypnosis will take place immediately following the Stop Smoking Seminar. (Plan on an additional 35 minutes.) If you attend both seminars the Weight Loss Program is **FREE!** If you are a **NON-SMOKER** who wishes to lose weight with the Weight Loss Program, you must register at 6:30 and attend the program from 7:00PM to 10:30PM. Your fee is only \$39.99.

\$5.00 COUPON

ATTENTION SMOKERS!

Bring in this flyer for \$5.00 off the registration fee. Coupon good only for the Stop Smoking Seminar on the dates listed above. Not redeemable for cash. One coupon per person. Machine made copies are acceptable, so give a copy to a friend!

Exhibit B

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Complaint

EXHIBIT C

THE GUARANTEED GROSSMAN METHOD

STOP SMOKING

IN JUST 3 HOURS FLAT!

NO ANXIETY
NO IRRITABILITY
NO WEIGHT GAIN

\$39⁹⁹
COMPLETE!

WRITTEN MONEY BACK GUARANTEE



"The Grossman Method of Hypnosis has helped over 300,000 smokers during the past 15 years. Of those motivated smokers who join us, up to 98% will throw away their cigarettes and stop smoking by seminar and 1 personal guarantee."

Kenneth Grossman, Ph.D.
The Stop Smoking Specialist

SMOKERS BRING THIS AD FOR AN EXTRA BONUS!!

TAMPA WEDNESDAY - DEC. 16 7:00 PM HOLIDAY INN-TAMPA AIRPORT 4500 W. Cypress Street (I-275, Exit Westshore Blvd.)	ST. PETERSBURG BEACH THURSDAY - DEC. 17 7:00 PM TRADEWINDS HOTEL 5500 Gulf Blvd. (I-275, Exit 4 Pinellas Bayway)
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NOTICE: All programs will be personally presented by Dr. Kenneth Grossman. Register at the door at 6:30 PM. Cash, check, Visa, MasterCard and American Express are all welcome. Bring all your cigarettes. Great idea! Bring your friends and stop smoking together!

FOR INFORMATION ON SPECIAL GROUP DISCOUNTS ON ON-SITE CORPORATE PROGRAMS CALL 1-800-226-6580

ELIMINATES YOUR DESIRE FOR CIGARETTES!
See, hear and experience it for yourself - - and then stop smoking completely. You'll be able to do anything you've done before, but you'll do it without smoking. You'll be able to finish a meal, have a cup of coffee, have a beer, go to the bathroom, talk on the phone, watch TV, drive an automobile, take a break - - or anything else. But you'll do it without smoking. You'll be able to be around others who smoke, and their smoking won't bother or upset you. No matter how much you smoke, or how long you've been smoking, this seminar **ELIMINATES THE CRAVING, URGE AND DESIRE TO SMOKE.**

YOU ARE ALWAYS IN CONTROL
You won't be unconscious. You'll be aware of everything. Yet, you'll be in a pleasant state of hypnosis which will help you to overcome your desire for cigarettes once and for all. The Grossman Method of Hypnosis is safe and effective and it has helped thousands permanently become non-smokers.

WRITTEN MONEY BACK GUARANTEE
I am so sure that you will stop smoking that I **PERSONALLY GUARANTEE YOUR RESULTS.** If for any reason, **BEFORE THE END OF THE SEMINAR,** you are not satisfied, I will refund your money on the spot, no questions asked. If, for any reason, you ever go back to smoking, you may attend another Grossman Method Stop Smoking Seminar **FREE OF CHARGE.**

THE PAINLESS WAY TO QUIT SMOKING
I know you! You've tried to quit smoking many times before—but nothing worked. Not nicotine gum. Not "cold turkey". Not willpower. And not even other forms of hypnosis.
The Grossman Method of Hypnosis is unique. It is guaranteed to end your smoking habit in just one relaxing and enjoyable 3 hour seminar.

HIGHLY RECOMMENDED BY MEDICAL DOCTORS!
Dr. Grossman developed his revolutionary seminar after many years of clinical research with heavy tobacco users.

This seminar is so effective that it is highly recommended by medical doctors and other health professionals. (See Back Page)

LOSE WEIGHT FREE

Now you can use the Grossman Method of Hypnosis to help you lose weight. If you are concerned about gaining weight when you stop smoking, or would like to lose those extra pounds, the **WEIGHT LOSS SEMINAR IS ABSOLUTELY FREE** WHEN YOU ATTEND THE STOP SMOKING SEMINAR. Lose weight the quick, safe and healthy way. Eliminate food cravings, anxiety and guilt. The Weight Loss Hypnosis will take place immediately following the Stop Smoking Seminar. (Plan on an additional 35 minutes.) If you attend both, the Weight Loss Program is **FREE!** If you are a **NON-SMOKER** who wishes to lose weight with the Weight Loss Program, you must register at 6:30 and attend the program from 7:00 PM to 10:30 PM. Your fee is only \$39.99.

ASK NEAL STOP SMOKING CLINIC, INC. DR. KENNETH GROSSMAN, EXECUTIVE DIRECTOR

"The Weight Loss program is terrific. In 2 months I've lost about 47 lbs. I went from a size 18 to size 12!! It's been a great summer at the beach!!"
Gerrit Cheek, Hanover, MD
"I lost 28 lbs. in just 6 weeks. I lost the weight so fast and easy that my family & friends were astonished."
John Cain, Springfield, IL

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SMOKERS BRING THIS AD FOR AN EXTRA BONUS!!

Complaint

119 F.T.C.

EXHIBIT D

INTERNATIONAL STUDENTS NEED YOUR HELP!

Host families are urgently needed by...

Each student is required to live in an American home, attend high school, and learn more about your way of life. Our students speak English, are well educated, safe, honest, hard working, and will be in the States for 1991.

Choose your student now!
Call our Local Coordinator:
Leo Nickolajevich Jr.
217-525-2819
1-800-525-2819

WEIGHT MANAGEMENT

n's Hospital

treatment plan

social needs.

free consult

hospital

tree

62769

next, in spite of all competition." a best friend. "I've always been in put your hands on."

THE ORIGINAL GROSSMAN METHOD HAS HELPED THOUSANDS!

STOP SMOKING

IN THREE (3) HOURS FLAT!

WITHOUT ANXIETY, IRRITABILITY OR WEIGHT GAIN

WED - JULY 24TH - 7:00 PM
Holiday Inn - East
3100 S. Dirksen Parkway
Springfield
(465, East 84)

ONLY \$38
WITH THIS COUPON
SAVE \$10

REGISTER AT THE DOOR AT 6:30 PM. The fee is only \$48 (EPA with the coupon). Cash, check, Visa, MasterCard and American Express are all welcome. Bring all your cigarettes - smoking is permitted.

You must present this coupon at registration.

Dr. Kenneth Grossman Live and In Person!

See, hear and experience it for yourself -- and then throw away your cigarettes and stop smoking completely. Without anxiety, irritability, or weight gain! You'll be able to do anything you've done before -- drink coffee or tea, finish a meal, have a beer, go to the bathroom, drive, work, take a break, talk on the phone, or do anything else -- yes, you'll be able to do it without smoking. Your energy level will increase. You'll feel better about yourself. You will save hundreds of dollars each year. You will reduce your chances of getting heart disease, cancer, or lung disease. Don't miss this -- it's the easiest way to quit!

WARNINGS: SEMINARS ARE NOT ALL THE SAME. Don't confuse Dr. Grossman's seminar with others that may sound like his but are quite different. This is the original program that has helped thousands of smokers quit for good without shots, pills, gum or expensive follow-up treatments.

SATISFACTION GUARANTEED!

IF, AT ANY TIME BEFORE THE END OF THE PROGRAM, you are not satisfied, your money will be refunded -- no questions asked.

Recommended by Physicians and Community Leaders

"After attending this seminar 3 years ago, I never thought of smoking again. It was one of the easiest things I have ever done. I highly recommend it to anyone who wants to quit smoking!"
Oscar J. Vermeulen, MD, Physician
Joliet, IL

"I haven't smoked since after 40 years of smoking 2 packs a day. This program is well organized and of great value."
Frederic L. Wilson, MD, Physician
Elgin, IL

"With your help, many of my patients have discovered smoking."
Karl Corral, MD, Physician
Tampa, FL

"The helped me quit smoking. I have become a believer in this program and strongly advise it to everyone who smokes."
Joel Rosenbaum, DDS, Dentist
Brynfield, IL

"I've changed my life after 23 years. I am now a non-smoker. I have nothing but praise and gratitude for the seminar."
Sueann Roscoe, RN, Nurse
Hombush, IL

"I attended your seminar and walked away a non-smoker with no physical or psychological withdrawal. I believe in the truth you are saying and I will pass your information on our church bulletin board for the benefit of others."
Rev. Joseph Canfield, Calvary Priest, Nashville, TN

"This program worked for me and I highly recommend it to others."
William R. Hartington, Chief of Police, State Fair Park, Milwaukee, WI

"I attended your program over a year ago and to this day I have not even touched a cigarette. I have also lost 37 pounds. I like the new me!"
Kathy Taylor, Durand, Illinois

"I attended 2 packs a day for 45 years and quit 3 years ago with this seminar. The way the seminar was done and money I've saved, I've saved thousands of dollars. I feel healthy and alive. I've saved dozens of people in the seminar and all of them are non-smokers too."
Andy Pook, Worth, IL

LOSE WEIGHT FREE!!

If you are concerned about gaining weight when you stop smoking, or want to lose excess pounds, this program can help you lose your desire for fattening foods without dieting and without willpower. When you register for the Stop Smoking seminar, you are invited to attend the Weight Loss program ABSOLUTELY FREE OF CHARGE. (Plan on an additional 35 minutes.) If you are a non-smoker and would like to attend the Weight Loss program, your fee is only \$38 with the coupon in this ad. Register at 6:30 PM.

For information on corporate discounts call: 1-800-225-6590 (U) Copyright © 1991 Kenneth Grossman, Inc. All Rights Reserved.

Exhibit D

EXHIBIT E

THE GUARANTEED GROSSMAN METHOD

Has Helped Thousands to Become Non-Smokers!!

"Excellent explanation of hypnotic and the hypnotic process. By the end of the session I was a non-smoker easy and free!"
Steven Taylor, MD Physician
Morris, IL

"After attending this session 3 years ago, I never thought of smoking again. It was one of the easiest things I have ever done. I highly recommend it to anyone who wants to quit smoking."
Gerald Vermeulen, MD Physician
Joliet, IL

"It helped me quit after 40 years of smoking 2 packs a day. This program is well explained and of great value."
Frank L. Wilkie, MD Physician
Eggs, IL

"With your help, many of my patients have discontinued smoking."
Kent Corral, MD Physician
Tampa, FL

"This helped me quit smoking. I have become a believer in this program and I strongly advise it to everyone who smokes."
Joel Needleman, DDS Dentist
Ingleside, TX

"You changed my life! After 23 years I am now a non-smoker! I have nothing but praise and gratitude for this seminar."
Susan Raposa, RN Nurse
Hondolaki, HI

"Since I quit smoking at your seminar, I began to swim one mile per day and have lost the weight that I did not need. All this at 61 years old! Thanks for helping me enjoy life again!"
Ted Hooper, Richmond, VA

"I attended your seminar three years ago and quit smoking after 36 years of being myself. I have not experienced any weight gain. I feel so good about myself!"
Floyd Givins, Memphis, TN

"Thanks for my new life! I now participate in an aerobics class, go bicycling or walk on a daily basis. I even lost 10 pounds! I am becoming more fit than at any time in my life. I am proud to be a non-smoker!"
Sandra K. Miller, Champaign, IL

"Even though I knew I should quit smoking, my conscience told me I loved it. I couldn't believe the results of the seminar! I NEVER picked up another cigarette after the program."
Ellen Goggin, Jacksonville, FL

"The ease and lack of concern I feel about smoking has been great. Since your seminar I've had no hard days -- no craving -- no bad moods. I feel great!"
Lucy Clements, Stone Mountain, GA

"This program worked for me and I highly recommend it to others."
William P. Harrington, Chief of Police
State Fair Park, Milwaukee, WI

"I attended your seminar and walked away a non-smoker with no physical or psychological withdrawal. I believe in the work you are doing and I will post your information on our church bulletin board for the benefit of others."
Rev. Joseph Sanchez, Catholic Priest
Nashville, TN

"This seminar was the beginning of a whole new life for me. I attended your program over a year ago and to this day I have not even touched a cigarette! I have also lost 27 pounds! I like the new me!"
Katy Taylor, Dunedin, FL

"I smoked 2 packs a day for 45 years and quit 8 years ago with this seminar. This was the best investment in time and money I've ever made. I've saved thousands of dollars! I feel healthy and alive! I've sent dozens of people to this seminar and they are all non-smokers too!"
Andy Post, Worth, IL

"I was a real tough customer as I had been smoking for 30 years. I tried various methods and products on the market, but nothing had worked for me. After attending your program, I have completely stopped smoking and don't even have any desire for a cigarette!"
Allen A. Pollack, Orange Hills, MD

"I have sent 12 family members to your program since I became a non-smoker 4 years ago and ALL of them have also become non-smokers. Two of them were attending for chewing tobacco and neither has had any desire to chew since your seminar."
Greg Williams, Marietta, GA

"I smoked for 30 years. I attended your seminar and have not had a cigarette since. It was almost like a miracle! NO withdrawal symptoms!"
Vilma F. Marquez, El Paso, TX

"Easy as pie! I can do it, anyone can!"
Joyce Schnepf, Charlotte, NC

"Great program! Easy as 1-2-3!"
Linda Rivers, Charlotte, NC

"My husband and 2 very good friends quit smoking at your seminar. My husband was a hard core smoker. Not only do they have more money out they feel better and I also benefited from your tapes. We could not be happier!"
Carlene Harzke, Milwaukee, WI

"Never thought I could feel this good again!"
Madelyn Chees, Cumming, GA

"I have not had withdrawal symptoms. People smoking in front of me does not bother me. It has been terrific!"
Leiland Bush, Washington, RI

"The seminar is most helpful and I highly recommend it to all smokers!"
Rev. John Atkinson, Catholic Priest
Memphis, TN

"This is a wonderful program! I had quit several times before -- but this is totally different. This time I have had no withdrawal symptoms as I did before."
Flo Wheeler, Raleigh, NC

"I never thought this would work for me. But it did! I feel that it was the best money I EVER spent!"
Cathy Banker, Eggs, IL

"I quit smoking at this seminar in 1989 after 34 years of 2-1 1/2 packs a day. I also attended the weight loss program and have lost 20 pounds. This worked great for me!"
Dorthea Thaxton, Blytheville, AR

"This is the most sure-fire method of quitting smoking. Before this I had tried every method that I could find. This program has provided positive results for me!"
Don Warren, Raleigh, NC

"I stayed for the Weight Loss and easily lost 36 pounds in 4 months!"
Glenn Martin, Centre, AL

"I found it one of the easiest things I've ever done in my life! This is a powerful seminar which enabled me to step from a 42-year smoking habit into a non-smoking and far more pleasant existence in an instant of time!"
Wit Kennedy, Stevens Point, WI

"Thanks to your program I have been smoke free for almost 4 years! I had smoked 3 packs a day for 15 years!"
Hugh Hartono, Salisbury, NC

"Before I went to this seminar, my life was consumed by cigarettes. Cigarettes were the first thing I thought about in the morning and the last thing every night. Dr. Grossman made quitting easy! My life is actually less stressful without smoking."
Jeffery Ryan, Indianapolis, IN

"I suggest it to everyone. Great stuff!"
Thomas Walbeck, Woodstock, GA

"It's so wonderful to be free of the burden of smoking. After endless attempts, I successfully became a non-smoker with Dr. Grossman. I am so grateful and I highly recommend his program."
Rev. James Dummer, Catholic Priest
Milwaukee, WI



ABOUT YOUR SEMINAR LEADER
Kenneth Grossman, Ph.D., developed this seminar after more than 12,000 hours of private practice in clinical hypnotherapy and after teaching many college level courses. Since then, he has presented hundreds of Stop Smoking Seminars to enthusiastic audiences throughout the United States. He studied at Eastern Michigan University, the University of Nebraska, the University of Chicago and earned his doctorate in Clinical Hypnotherapy from the American Institute of Hypnotherapy. He is listed in *Who's Who in Professional Speaking* and *Who's Who in the Midwest*.

AMERICAN STOP SMOKING CLINICS, INC., P.O. BOX 11, HINSDALE, ILLINOIS 60521-0011

STOP SMOKING

GUARANTEED

In Just 3 Hours Flat! Without Anxiety, Irritability or Weight Gain!

We Know You
We know you. You are tired of smoking. You have been trying to quit. You need help. You don't want cancer. You don't want heart disease. You don't want empty-soma. You don't want to suffer the debilitating effects of a stroke. You are sick of the nagging of your family and friends. You are sick of spending hundreds of dollars each year on a filthy habit.

We Can Help You
You are ready to quit, but you don't know how. We can help you. We have developed the most effective method of smoking cessation available. Best of all, it takes only a few hours of your time and costs what you would pay for a few cartons of cigarettes.

Relieve Stress
Stress management is an important part of our seminar. You will

Learn how to feel calm, relaxed and in control. Once you learn our relaxation methods, you'll enjoy using them for the rest of your life.

The Original and Still the Best
Over the years, our method of smoking cessation has spawned a number of imitators — some good, some not so good. Why take a chance on anyone but the best?

GUARANTEE:
You will stop smoking at our seminar or return to any of our future seminars throughout the world at no charge.

Dr. Kenneth Grossman
Kenneth Grossman, Ph.D., is the Executive Director of the American Institute of Smoking Cessation, the President of the Society of Group Behavioral Hypnotherapists and the originator of this nationally acclaimed Smoking Cessation Seminar. He holds a doctorate in Clinical Hypnotherapy, and has authored numerous programs for personal growth and development. Dr. Grossman is a leading expert in smoking cessation, and ~~has helped thousands of people stop smoking.~~

97.22% Effective
Our method is so effective that at ~~our seminars we guarantee 100% of the participants will quit smoking.~~ At a seminar we conducted last year for Jefferson Memorial Hospital in Crystal City, Mo. 97.22% of the participants quit smoking! These amazing results were verified by 2 separate follow-up surveys conducted by both the American Institute of Smoking Cessation and Jefferson Memorial Hospital.

ONLY \$38

Weight Loss Included Free!

You don't have to worry about gaining weight when you stop smoking with our program. Special emphasis is placed on weight control and weight loss. ~~At our seminars, our participants lose an average of 10 to 20 pounds in the first 30 days after our program. 82% of participants who desired to lose weight lost between 10 and 22 pounds. Some lost even more! So can you.~~

AT THIS LOCATION
Austin
7:00-10:00 P.M. Wednesday, May 2 Doubletree Hotel Exhibit p
6505 Interstate Hwy. 35 N. (Corner of I-35 & 290)

* Register at door at 6:30 p.m. — Cash, Check, Visa, MasterCard and American Express are all welcome. Bring your cigarettes — they'll be the last ones you'll ever smoke!*

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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 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 received, 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 American Institute of Smoking Cessation is a corporation organized, existing and doing business under and by virtue of the laws of the state of Illinois, with its offices and principal place of business at 318 South Garfield, Hinsdale, Illinois.

Respondents Kenneth C. Grossman and Jane A. Grossman are the sole officers and directors of the corporate respondent. Together, they formulate, direct, and control the acts and practices of the corporate respondent, and their principal office and place of business is the same as that of the corporate respondent.

2. 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

DEFINITION

For the purposes of this order, "*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 has 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. Survey evidence may be appropriate depending on the representation made.

I.

It is ordered, That respondents American Institute of Smoking Cessation, Inc., a corporation, its successors and assigns, and its officers, Kenneth C. Grossman, individually and as an officer of said corporation, and Jane A. Grossman, individually and as an officer of said corporation, 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 smoking cessation or weight loss program, including any such program that uses hypnosis, 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, that participants who attend respondents' single-session group hypnosis seminar are cured of smoking addiction without experiencing irritability, anxiety, weight gain, or other side effects unless, at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation.

B. Making any representation, directly or by implication, about the relative or absolute performance or efficacy of any smoking cessation program or weight loss program, unless, at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation.

C. Representing through any endorsement or testimonial that any participant(s) of respondents, smoking cessation program or weight loss program have achieved success in smoking abstinence or weight loss unless:

(1) At the time of making such representation, the success claimed is representative of the typical or ordinary experience of all participants of such program, and respondents possess and rely upon competent and reliable scientific evidence that substantiates such representation, or

(2) Respondents disclose, clearly and prominently, and in close proximity to the endorsement or testimonial, either:

(a) What the generally expected results would be for participants in such program, or

(b) The limited applicability of the endorser's experience to what consumers may generally expect to achieve, that is, that consumers should not expect to experience similar results.

D. Misrepresenting, directly or by implication, the existence, contents, validity, results, conclusions, or interpretations of any test, study, survey or report.

E. Misrepresenting, directly or by implication, the performance or efficacy of any smoking cessation program or weight loss program.

II.

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 that were relied upon in disseminating 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.

III.

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(s), the creation or dissolution of subsidiaries, or any other change in the corporation that may affect compliance obligations arising out of this order.

IV.

It is further ordered, That the individual respondents named herein shall promptly notify the Commission of the discontinuance of their present business or of their affiliation with the corporate respondent. In addition, for a period of three (3) years from the date of service of this order, each respondent shall promptly notify the Commission of each affiliation with a new business or employment that involves a smoking cessation program or a weight loss program. Each such notice shall include the respondent's new business address and a statement of the nature of the business or employment in which the respondent is newly engaged as well as a description of the 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.

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; 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.

Complaint

119 F.T.C.

IN THE MATTER OF

GORAYEB SEMINARS, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3561. Complaint, March. 3, 1995--Decision, March. 3, 1995*

This consent order prohibits, among other things, two New Jersey-based companies and their officer from making any representation about the relative or absolute performance or efficacy of any smoking cessation or weight loss program, unless they possess and rely upon competent and reliable scientific evidence to substantiate the representation.

*Appearances*For the Commission: *Matthew Daynard.*For the respondents: *Dan Schwartz, Bryan Cave, Washington, D.C.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Gorayeb Seminars, Inc. ("GSI"), a corporation, and Gorayeb Learning Systems, Inc. ("GLS"), a corporation, and Ronald Gorayeb, individually and as an officer of said corporations ("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 Gorayeb Seminars, Inc., is a New Jersey corporation, with its principal office or place of business at 101 Roundhill Drive, Rockaway, New Jersey.

Respondent Gorayeb Learning Systems, Inc., is a New Jersey corporation, with its principal office or place of business at 101 Roundhill Drive, Rockaway, New Jersey.

Respondent Ronald B. Gorayeb is the President, Secretary, and sole Director and Shareholder of the corporate respondents. Individually or in concert with others, he formulates, directs and controls the acts and practices of the corporate respondents, including