

IN THE MATTER OF

ROGERIO MONTEIRO, ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SECS. 5 AND 12 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3767. Complaint, Sept. 12, 1997--Decision, Sept. 12, 1997*

This consent order requires, among other things, the California Spanish-language advertisers to have scientific evidence to substantiate any claims they make concerning the benefits, efficacy or performance of any food, drug, cosmetic or dietary supplement. The consent order also prohibits the respondents from using certain names that represent that a product prevents or retards hair loss, unless they can substantiate that it does. In addition, the consent order prohibits the respondents from misrepresenting the existence or conclusions of any test, study or research.

Appearances

For the Commission: *Thomas Carter* and *Susan Arthur*.

For the respondents: *Thomas Code, Reichard & Escalera*, San Juan, Puerto Rico.

COMPLAINT

The Federal Trade Commission, having reason to believe that Rogerio Monteiro and Eliana Crema ("respondents"), owners of the business known as Leeka Products, have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Rogerio Monteiro is owner of Leeka Products, a sole proprietorship with its principal place of business at 1614 South Central Avenue, Glendale, California. Individually or in concert with others, Rogerio Monteiro formulates, directs, or controls the policies, acts, or practices of Leeka Products, including the acts or practices alleged in this complaint. His principal place of business is the same as that of Leeka Products.

2. Respondent Eliana Crema is married to Rogerio Monteiro and is also an owner of Leeka Products. Individually or in concert with others, she formulates, directs, or controls the policies, acts or practices of Leeka Products, including the acts or practices alleged in this complaint. Her principal place of business is the same as that of Leeka Products.

3. Respondents have advertised, offered for sale, sold and distributed Super Formula Reductora, Crema Sudadora Perfect Shape, and Tratamiento para Combatir la Caida del Cabello. Super Formula Reductora is a "food" and/or a "drug" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act. Crema Sudadora Perfect Shape is a "cosmetic" and/or a "drug" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act. Tratamiento para Combatir la Caida del Cabello is a "cosmetic" and/or a "drug" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.

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.

5. Respondents have disseminated or have caused to be disseminated advertisements and promotional materials for Super Formula Reductora, including but not necessarily limited to the attached Exhibits A-1 and B-1. Translations of these advertisements and promotional materials have been provided by the respondents and are attached as Exhibits A-2 and B-2. The translations of the advertisements and promotional materials contain the following statements:

A. Naturally Leeka

"Super Formula Reductora"

Was created to help you lose weight successfully by controlling the metabolism, reducing appetite and burning fat.

3 daily tablets contain:

Chromium Picolinate (200 mcg): Regulate metabolism and burn fat.

Cider Vinegar (240 mg): Dissolve fat.

Phenylalamine [sic] (100 mg): Reduce appetite.

Kelp (100 mg): Iodine Creator. Maintain optimum metabolism function.

Herbal Complex (600 mg): Reduce excess fluids.

Soya Lecithin (600 mg): Disperse fat globules in the body and maintain a low cholesterol level.

Vitamin B-6 (50 mg): Responsible for the metabolism of fat, carbohydrates and proteins.

(Exhibit A-2)

B. Super Formula Reductora

"Super Formula Reductora" was created to help you lose weight successfully by: Controlling the metabolism, reducing appetite and burninmg [sic] fat. S.F.R. is formulated with 7 super ingredients in a natural base, including the patented Chromium Picolinate, which has demonstrated in clinical studies to be very effective in weight loss.

3 daily tablets contain:

Chromium Picolinate (200 mcg): Regulate metabolism, burn fat.

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Cider Vinegar (240 mg): Dissolve fat.

Phenylamine (100 mg); [sic] Reduce appetite.

Kelp (100 mg): Iodine Creator - Maintain optimum metabolism function.

Herbal Complex (600 mg): Reduce excess fluids.

Soya Lecithin (600 mg): Disperse fat globules in the body and maintain a low cholesterol level.

Vitamin B-6 (50 mg): Responsible for the metabolism of fat, carbohydrates and proteins.

(Exhibit B-2)

6. Through the means described in paragraph five, respondents have represented, expressly or by implication, that:

- A. Super Formula Reductora will control and regulate metabolism.
- B. Super Formula Reductora will reduce appetite.
- C. Super Formula Reductora will burn or dissolve fat.
- D. Super Formula Reductora will cause weight loss.

7. Through the means described in paragraph five, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in paragraph six, at the time the representations were made.

8. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in paragraph six, at the time the representations were made. Therefore, the representation set forth in paragraph seven was, and is false or misleading.

9. Through the means described in paragraph five, respondents have represented, expressly or by implication, that scientific studies of Chromium Picolinate demonstrate that Super Formula Reductora causes weight loss.

10. In truth and in fact, scientific studies of Chromium Picolinate do not demonstrate that Super Formula Reductora causes weight loss. Therefore, the representation set forth in paragraph nine was, and is, false or misleading.

11. Respondents have disseminated or have caused to be disseminated advertisements and promotional materials for Crema Sudadora Perfect Shape, including but not necessarily limited to the attached Exhibits B-1 and C-1. A translation of Exhibit B-1 has been provided by the respondents and is attached as Exhibit B-2. A translation of the relevant portion of Exhibit C-1 is attached as

Exhibit C-2. The translations of the advertisements and promotional materials contain the following statements:

A. Crema Sudadora - Perfect Shape

To have a beautiful body and be in good physical shape is the desire of all people. Perfect Shape can help you obtain better results from your workout because Perfect Shape activates circulation producing a "better sweat" in the areas that need it the most.

Sweating burns calories which is essential to lose inches.

(Exhibit B-2)

B. Crema Sudadora

Perfect Shape

To have a beautiful body and be in good physical shape is the desire of all people. Perfect Shape can help you obtain better results from your workout because Perfect Shape activates circulation producing a "better sweat" in the areas that need it the most.

Burn more calories by sweating more.

(Exhibit C-2)

12. Respondents have disseminated or have caused to be disseminated advertisements and promotional materials for Crema Sudadora Perfect Shape, including but not necessarily limited to the attached Exhibit D. This English language advertisement contains the following statements:

SWEAT IT OUT & GET IN SHAPE!

Designed to improve the sweating process during your dynamic workout. Right where you need it the most.

Burn more calories by sweating more.

Get lean faster.

Get the most from your workout.

(Exhibit D)

13. Through the means described in paragraphs eleven and twelve, respondents have represented, expressly or by implication, that:

- A. Crema Sudadora Perfect Shape will cause better results from exercise.
- B. Crema Sudadora Perfect Shape will increase the number of calories burned during exercise.
- C. Crema Sudadora Perfect Shape will cause the user to get lean faster.

14. Through the means described in paragraphs eleven and twelve, respondents have represented, expressly or by implication,

that they possessed and relied upon a reasonable basis that substantiated the representations set forth in paragraph thirteen, at the time the representations were made.

15. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in paragraph thirteen, at the time the representations were made. Therefore, the representation set forth in paragraph fourteen was, and is false or misleading.

16. Respondents have disseminated or have caused to be disseminated advertisements and promotional materials for Tratamiento para Combatir la Caída del Cabello ["Treatment to Fight Hair Loss"], including but not necessarily limited to the attached Exhibit B-1. A translation of this advertisement has been provided by the respondents and is attached as Exhibit B-2. A translation of the name of the product has also been provided by the respondents and is attached as Exhibit B-3. The translation of the advertisement contains the following statements:

Tratamiento para Combatir la Caída del Cabello [Treatment to Fight Hair Loss]
For Men and Women.

The most advanced treatment that combines 3 super products that help fight hair loss.

First Step (pre-shampoo): Contains Aloe and Biotin to leave hair clean, with body and texture.

Second Step: To deep clean scalp and pores.

Third Step: Increases blood flow to the scalp and nourishes the roots in a base of proteins, Biotin, Aloe and herbal extracts.

(Exhibits B-2 and B-3)

17. Through use of the trade name Tratamiento para Combatir la Caída del Cabello ["Treatment to Fight Hair Loss"] and through the means described in paragraph sixteen, respondents have represented, expressly or by implication, that Tratamiento para Combatir la Caída del Cabello will prevent or retard hair loss.

18. Through the means described in paragraph sixteen, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representation set forth in paragraph seventeen, at the time the representation was made.

19. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representation set forth in paragraph seventeen, at the time the representation was made.

Therefore, the representation set forth in paragraph eighteen was, and is, false or misleading.

20. The acts and practices of respondents as alleged in this complaint constitute unfair or 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.

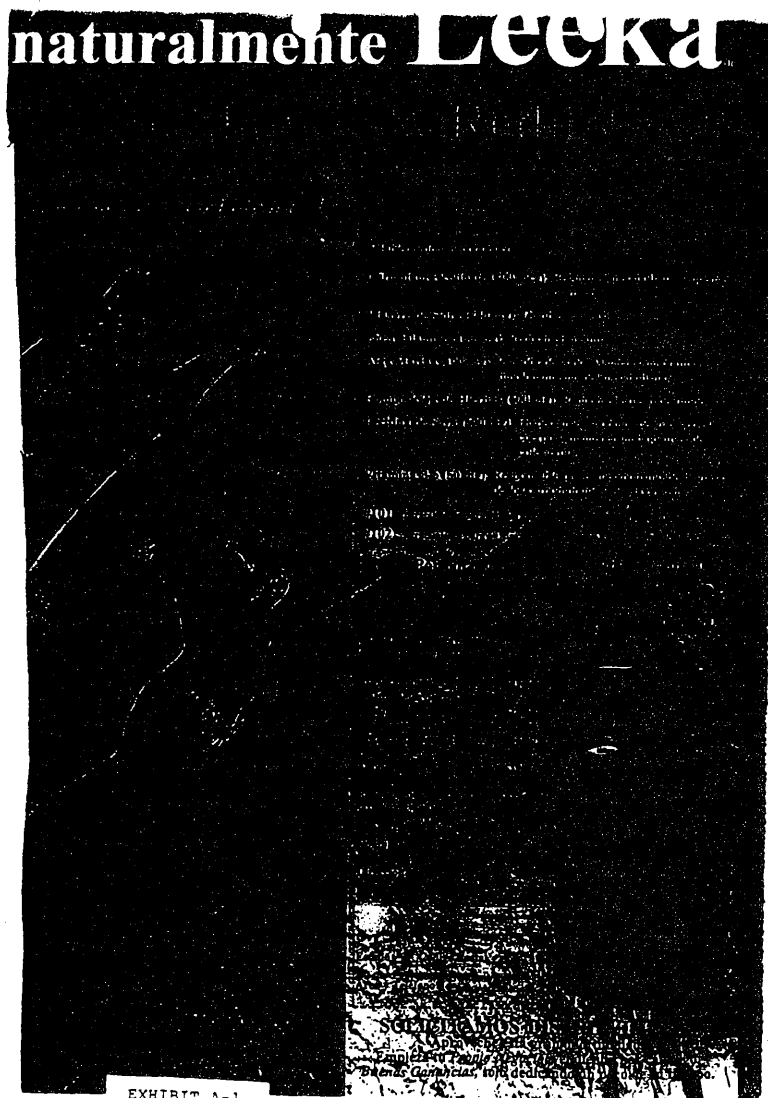


EXHIBIT A-1

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EXHIBIT A-2

TRANSLATION

Naturally Leeka

"Super Formula Reductora"

Was created to help you lose weight successfully by controlling the metabolism, reducing appetite and burning fat.

3 daily tablets contain:

Chromium Picolinate (200 mcg): Regulate metabolism and burn fat.

Cider Vinegar (240 mg): Dissolve fat.

Phenylalamine (100 mg): Reduce appetite.

Kelp (100mg): Iodine Creator. Maintain optimum metabolism function.

Herbal Complex (600mg): Reduce excess fluids.

Soya Lecithin (600mg): Disperse fat globules in the body and maintain a low cholesterol level.

Vitamin B-6 (50mg): Responsible for the metabolism of fat, carbohydrates and proteins.

#101 30-day treatment \$19.50 + shipping charges.

#102 60-day treatment \$34.50 + shipping charges.

Toll free 1-800-505-3352 or 1-800-982-1090

Visa, Mastercard and C.O.D.

C.O.D.: Shipping charges paid upon delivery = \$9.50

By mail: Send this coupon and a check/money order to:

Leeka Products

644 West Broadway, Suite 102

Glendale, CA 91204

#101 One-month treatment	\$19.50
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shipping charges	\$ 5.00
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Total	\$24.50
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#102 Two-month treatment	\$34.50
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shipping charges	\$ 5.00
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Total	\$39.50
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California residents add 8.25% tax:

product #101 add \$1.61

product #102 add \$2.85

Name, Address, City, State and Zip Code

Area Code and Telephone Number

We request distributors.

Take this great opportunity.

Start your own business, selling by catalogue.

Good profits, only dedicating some of your time.

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EXHIBIT B-1

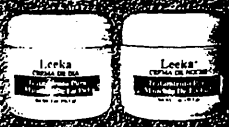
Leeka

Sublime Belleza



Super Formula Reductora





Super Potencia







PARA ORDENAR:
 Envíame CHEQUE o MONEDA ORDEN
 por el valor total de tu pedido
 + \$2.00 por gastos de envío a:
 Leeka Productos Inc.
 644 West Broadway, Suite 102
 Glendale, CA 91204
 (Si Ud. vive en California, agregue \$1.25 de tax).

POR FAVOR INCLUYA SU NOMBRE, DIRECCIÓN Y NÚMERO DE TELÉFONO.

Visa/MasterCard
1-800-505-3352

SOLICITAMOS DISTRIBUIDORES
 DISTRIBUIDORES LLAMEN AL: 1-800-505-3352

*Para las Hombres que prefieren
 tener una Vida Activa*

EXHIBIT B-1

EXHIBIT B-2

TRANSLATION

Sublime Belleza

Now available to you a treatment for specific skin problems: Acne, black heads, pimples, and clogged pores.

This treatment is effective in the correction and restoration of the skin. Gently removes dead cells, impurities and bacteria from the surface of the skin.

Spectacular results ... The beauty treatment that your skin deserves. #682 \$37.60

Super Formula Reductora

"Super Formula Reductora" was created to help you lose weight successfully by: Controlling the metabolism, reducing appetite and burning fat. S.F.R. is formulated with 7 super ingredients in a natural base, including the patented Chromium Picolinate, which has demonstrated in clinical studies to be very effective in weight loss.

3 daily tablets contain:

Chromium Picolinate (200 mcg): Regulate metabolism, burn fat.

Cider Vinegar (240 mg): Dissolve fat.

Phenylalamine (100 mg); Reduce appetite.

Kelp (100mg): Iodine Creator - Maintain optimum metabolism function.

Herbal Complex (600 mg): Reduce excess fluids

Soya Lecithin (600 mg): Disperse fat globules in the body and maintain a low cholesterol level.

Vitamin B6 (50mg): Responsible for the metabolism of fat, carbohydrates and proteins.

#101 \$19.50

#102 2 for only \$34.50

Tratamiento para Manchas de la Piel

Use this product to decolorate spots on your skin. Will also help to retard wrinkle formation and will maintain your skin young and luxuriant. This treatment can be used in the face, hands and other parts of the body.

Crema Sudadora - Perfect Shape

To have a beautiful body and be in good physical shape is the desire of all people. Perfect Shape can help you obtain better results from your workout because Perfect Shape activates circulation producing a "better sweat" in the areas that need it the most.

Sweating burns calories which is essential to lose inches.

#204 \$12.50

#208 2 for only \$20.50

#212 3 for only \$29.50

Tratamiento para Combatir la Caida del Cabello

For Men and Women

The most advanced treatment that combines 3 super products that help fight hair loss.

First Step (pre-shampoo): Contains Aloe and Biotin to leave hair clean, with body and texture.

Second Step: To deep clean scalp and pores.

Third Step: Increases blood flow to the scalp and nourishes the roots in a base of proteins, Biotin, Aloe and herbal extracts. #403 \$39.50

Aceite Rosa Mosqueta

This is unique oil is produced by a wild rose that grows in the fresh air of the mountains of Chile. Aceite Rosa Mosqueta has been studied by universities in Chile and laboratories in the United States and Germany. The studies identified the presence of trans-RETINIC acid which contains the properties of reducing scars and eliminating certain blemishes and wrinkles from the skin.

Recommended use: scars, premature aging, smoothing of fine wrinkles, stretch marks, minor burns.

100% Natural

#707 1 ounce for only \$24.50

Super Potencia para Hombres

It is specifically formulated with vitamins, minerals, herbs and glandulars essential to the vitality of men.

For men who prefer having an active life!

1 daily tablet contains:

L-Cartinine	10mg
L-Histidine	10mg
Raw testicular	50mg
Damiana Leaf	100mg
Siberian Ginseng	100mg
Sarsaparilla Root	100mg
Saw Palmetto Berries	100mg
Niacin	20mg
Pantothenic Acid	10mg
Vitamin B6	2mg
Vitamin B12	6mg
Vitamin E	30IU
Manganese	7mg
Zinc	15mg

To order: Send a check or money order for the total amount of your order + \$5.00 for shipping charges to:

Leeka Products

644 West Broadway, Suite 102

Glendale, CA 91204

(If you live in California, add \$8.25 tax)

Please include your name, address and telephone number.

Visa/Mastercard 1-800-505-3352

We request distributors. Distributors call 1-800-505-3352

EXHIBIT B-3

#101 - Super Formula Reductora: *Super Reducing Formula*

#173 - Super Cellulite Control: *Super Cellulite Control*

#204 - Crema Sudadora Perfect Shape: *Perfect Shape sweating cream*

#403 - Tratamiento para Combatir la Caída del Cabello: *Treatment to Fight Hair Loss*

#423 - Super Potencia para hombres: *Super Potency for men*

#616 - Tratamiento para Manchas de la Piel: *Treatment for Skin Blemishes*

#682 - Sublime Belleza: *Sublime Beauty*

#707 - Aceite Rosa Mosqueta: *Rose Hips Oil*

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EXHIBIT C-1

Crema Sudadora
Perfect Shape

Tener un cuerpo bello y estar en buena forma física es el deseo de todos. Perfect Shape puede ayudarle a usted a obtener mejores resultados del ejercicio que usted hace, porque Perfect Shape activa la circulación proporcionando un "Mejor Sudor" en las áreas que mas lo necesitan.

Producto	Precio
#204.....	\$12.50
#208..... 2 por sólo	\$20.00
#212..... 3 por sólo	\$25.00

Llame Gratis al
1-800-505-3
o al 1-800-982-1000
Visa/MasterCard

Gastos de envío: Tarjetas de crédito y pedidos por teléfono \$3.00, = \$9.00

Envíe su Cheque/Money Order de su pedido + \$3.00 por envío

Leeka Inc.
644 West Broadway
Glendale, CA 91201

Residentes de California:
Producto 204: \$11.00
208: \$17.00
212: \$22.00

Solicitamos Distribuidores
Aproveche esta gran oportunidad.
Empiece tu propio Negocio.
Buenas Ganancias, sólo dedicándole un poco de tiempo.

Leeka™

Leeka® Leeka® Leeka® Leeka® Leeka® Leeka® Leeka® Leeka®

EXHIBIT C-1

EXHIBIT C-2

Crema Sudadora

Perfect Shape

To have a beautiful body and be in good physical shape is the desire of all people. Perfect Shape can help you obtain better results from your workout because Perfect Shape activates circulation producing a "better sweat" in the areas that need it the most.

Burn more calories by sweating more.

[order form]

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EXHIBIT D

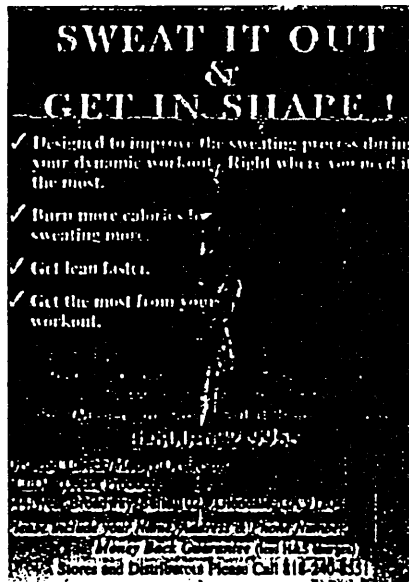


EXHIBIT D

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 Dallas Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act; and

The respondents 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; or that the facts as alleged in such complaint, other than jurisdictional facts, are true 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 a 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:

1a. Respondent Rogerio Monteiro is owner of Leeka Products, a sole proprietorship with its principal office or place of business at 1614 South Central Avenue, Glendale, California.

1b. Respondent Eliana Crema is owner of Leeka Products, a sole proprietorship with its principal office or place of business at 1614 South Central Avenue, Glendale, California.

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

DEFINITIONS

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

1. "*Competent and reliable scientific evidence*" shall mean 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.

2. Unless otherwise specified, "*respondents*" shall mean Rogerio Monteiro and Eliana Crema, individually and doing business as Leeka Products, and each of the above's agents, representatives, and employees.

3. "*Commerce*" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

I.

It is ordered, That respondents, directly or through any corporation, partnership, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Super Formula Reductora, Crema Sudadora Perfect Shape, Tratamiento para Combatir la Caida del Cabello or any food, dietary supplement, cosmetic or drug, as "food," "cosmetic" and "drug" are defined in Section 15 of the Federal Trade Commission Act, in or affecting commerce, shall not represent, in any manner, expressly or by implication, that:

- A. Such product controls and regulates metabolism;
- B. Such product reduces appetite;
- C. Such product burns or dissolves fat;
- D. Such product causes better results from exercise;
- E. Such product increases calories burned during exercise;
- F. Such product provides any weight loss, fat loss, weight regulation, weight control, or weight maintenance benefits; or
- G. Such product will prevent or retard hair loss

unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

II.

It is further ordered, That respondents, directly or through any corporation, partnership, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any hair care product or drug, as "drug" is defined in Section 15 of the Federal Trade Commission Act, in or affecting commerce, shall not represent that any product prevents hair loss, unless the product is the subject of an approved new drug application for such purpose under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 301 *et seq.*, provided that, this requirement shall not limit the requirements of Order Part I herein.

III.

It is further ordered, That respondents, directly or through any corporation, partnership, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Super Formula Reductora, Crema Sudadora Perfect Shape, Tratamiento para Combatir la Caída del Cabello or any other food, dietary supplement, cosmetic or drug, as "food," "cosmetic" and "drug" are defined in Section 15 of the Federal Trade Commission Act, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the benefits, performance, or efficacy of such product, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

IV.

It is further ordered, That respondents directly or through any corporation, partnership, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Tratamiento para Combatir la Caída del Cabello or any substantially similar product in or affecting commerce, shall not use the name "Tratamiento para Combatir la Caída del Cabello" or any other name that represents, expressly or by implication, that the product will prevent or retard hair loss, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

V.

It is further ordered, That respondents directly or through any corporation, partnership, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any product or program, in or affecting commerce, shall not misrepresent, in any manner, expressly or by implication, the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research.

VI.

Nothing in this order shall prohibit respondents from making any representation for any drug that is permitted in labeling for such drug under any tentative final or final standard promulgated by the Food and Drug Administration, or under any new drug application approved by the Food and Drug Administration.

VII.

Nothing in this order shall prohibit respondents from making any representation for any product that is specifically permitted in labeling for such product by regulations promulgated by the Food and Drug Administration pursuant to the Nutrition Labeling and Education Act of 1990.

VIII.

It is further ordered, That respondents, and their successors and assigns, shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All advertisements and promotional materials containing the representation;

B. All materials that were relied upon in disseminating the representation; and

C. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with

consumers or with governmental or consumer protection organizations.

IX.

It is further ordered, That respondents shall deliver a copy of this order to all current and future principals, partners, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

X.

It is further ordered, That respondents, and their successors and assigns, shall notify the Federal Trade Commission at least thirty (30) days prior to any proposed change in Leeka Products that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor company; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the company name or address. Provided, however, that with respect to any proposed change in the company about which respondents learn less than thirty (30) days prior to the date such action is to take place, respondents shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

XI.

It is further ordered, That respondent Rogerio Monteiro, for a period of ten (10) years after the date of issuance of this order, shall notify the Commission of the discontinuance of his current business or employment or of his affiliation with any new business or employment which involves the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any food, dietary

supplement, cosmetic or drug, as "food," "cosmetic" and "drug" are defined in Section 15 of the Federal Trade Commission Act. The notice shall include respondent's new business address and telephone number, and a description of the nature of the business or employment and his duties and responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

XII.

It is further ordered, That respondent Eliana Crema, for a period of ten (10) years after the date of issuance of this order, shall notify the Commission of the discontinuance of her current business or employment or of her affiliation with any new business or employment which involves the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any food, dietary supplement, cosmetic or drug, as "food," "cosmetic" and "drug" are defined in Section 15 of the Federal Trade Commission Act. The notice shall include respondent's new business address and telephone number, and a description of the nature of the business or employment and her duties and responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

XIII.

It is further ordered, That respondents shall, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

XIV.

This order will terminate on September 12, 2017, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any Part in this order that terminates in less than twenty (20) years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

IN THE MATTER OF

EFFICIENT LABS, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SECS. 5 AND 12 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3768. Complaint, Sept. 12, 1997--Decision, Sept. 12, 1997*

This consent order requires, among other things, the Puerto Rico-based Spanish-language advertiser of dietary supplements and its officer to have scientific evidence to substantiate any claims they make concerning the health benefits, performance, safety or efficacy of any food, drug, cosmetic or dietary supplement promoted or used to treat conditions or illnesses related to the circulatory system.

Appearances

For the Commission: *Michael Bloom, Donald D'Amato and Denise Tighe.*

For the respondents: *Jose Acosta-Grubb, Fiddler, Gonzalez & Rodriquez, San Juan, Puerto Rico.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Efficient Labs, Inc., a corporation, and Blas Reyes-Reyes, individually and as an officer of the corporation ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Efficient Labs, Inc. is a corporation organized under the laws of the Commonwealth of Puerto Rico, with its principal office or place of business at 413 San Jorge Street, San Juan, Puerto Rico.

2. Respondent Blas Reyes-Reyes is an officer of the corporate respondent. Individually or in concert with others, he formulates, directs, participates in, or controls the policies, acts, or practices of the corporation, including the acts or practices alleged in this complaint. His principal office or place of business is the same as that of Efficient Labs, Inc.

3. Respondents have advertised, offered for sale, sold, and distributed products to the public, including "Venoflash," a nutritional supplement with ingredients that include Niacin U.S.P.; Vitamins