

Complaint

IN THE MATTER OF
TECHNOBRANDS, INC., ET AL.

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

Docket C-4041; File No. 9923034
Complaint, April 15, 2002--Decision, April 15, 2002

This consent order addresses practices used by Respondent TechnoBrands, Inc., and its president, Respondent Charles J. Anton, related to the advertising, offering for sale, sale, and distribution of products such as the Hollywood 48-Hour Miracle Diet; the Enforma System; the BMI Magnetic Kit; the Nisim New Hair Biofactors System; and the Clarion Ionic Filter Ceiling Fan and the Sila Ionic Air Purifier. The order, among other things, prohibits the respondents from representing – unless they possess competent and reliable evidence that substantiates the representations – (1) that consumers who use the Hollywood Diet, or any substantially similar product, can lose 10 lbs. in 48 hours; or (2) that by using Enforma, or any substantially similar product, consumers can achieve substantial weight loss, or avoid weight gain, without a restricted calorie diet or exercise. The order also prohibits the respondents from representing that celebrities have lost substantial weight by using the Hollywood Diet, unless they possess competent and reliable evidence that substantiates the representations. In addition, the order prohibits the respondents from making unsubstantiated representations about the comparative or absolute benefits, performance, or efficacy of any product or service, and from misrepresenting the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research. The order also requires the respondents to pay the Commission the sum of \$200,000.

Participants

For the Commission: *Carol Jennings, Pablo M. Zylberglait, Louise R. Jung, Heather Hipsley, James Reilly Dolan, Elaine D. Kolish and Charles Pidano.*

For the Respondent: *W. Jeffery Edwards and Kelly Faglioni, Hunton & Williams.*

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The Federal Trade Commission, having reason to believe that TechnoBrands, Inc. ("TBI"), and Charles J. Anton ("Anton"), individually and as an officer of TBI ("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 TBI is a Virginia corporation with its principal place of business at 1998 Ruffin Mill Road, Colonial Heights, Virginia 23834. TBI was incorporated on May 5, 1987 under the name of Comtrad Industries, Inc. On May 24, 2000, the company changed its corporate name to TechnoBrands, Inc. TBI advertises and does business as The Lifestyle Resource, TechnoScout, Ennoventions, Tech Update, and International Collectors' Society.
2. Respondent Anton is an officer of TBI. Individually or in concert with others, he formulates, directs, or controls the policies, acts, or practices of TBI, including the acts or practices alleged in this complaint. His principal office or place of business is the same as that of TBI.
3. Respondents have advertised, offered for sale, sold, and distributed products to the public, including the Hollywood 48-Hour Miracle Diet ("Hollywood Diet"), a liquid diet; the Enforma System ("Enforma"), a diet product combination consisting primarily of chitosan and pyruvate; the BMI Magnetic Kit, a set of magnets with purported analgesic properties; the Nisim New Hair Biofactors System ("Nisim"), a purported hair-growth product; the Clarion Ionic Filter Ceiling Fan ("Clarion"), an air-cleaning device; and the Sila Ionic Air Purifier ("Sila"), another air-cleaning device. The Hollywood Diet and Enforma are "foods" and/or "drugs" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act. Nisim is a "drug" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act. The BMK is a "device" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.

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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.

Hollywood Diet

5. Respondents have disseminated or have caused to be disseminated advertisements for the Hollywood Diet, including but not necessarily limited to the attached Exhibit 1. These advertisements contain the following statements:

Lose up to 10 lbs this weekend! . . .

by Pete Johnson

How often have you wasted precious time and money trying to lose weight? Let's see . . . I've tried every quick-fix, fad diet known to man . . . even tried the ones where you buy the pre-packaged food. They all seem to take months to show any results . . . and by that time my motivation is gone! Even straight fasting didn't work for me. Then I read about the Hollywood 48-Hour Miracle Diet and decided to try it – I had nothing to lose but weight – and I did! . . .

The Hollywood 48-Hour Miracle Diet is a special formulation of all-natural juices and botanical extracts so it looks like an ordinary bottle of juice – and works like a miracle! For two days you give up all bad food habits. . . .

Hollywood's best-kept diet secret. This amazing diet has been rushed to the sets of E.R., Friends, plus many of today's biggest celebrities. It's what actors, actresses and models use to fit into those sleek suits and sexy dresses – fast! . . .

And it's clinically proven. Tested by an independent lab, this remarkable diet produced impressive results. A clinical trial involving 10 volunteers found that subjects lost an average of 4% of their initial body weight and noted 'obvious results' at the end of two days. . . .

There are no failures on this diet – you will lose weight – guaranteed! . . .

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Don't take our word for it

[Consumer endorser:] 'I lost 10 pounds in 48 hours. I broke my plateau weight of 135 to 125 pounds. It was so easy – I'm telling all my friends about it!' Elizabeth K., New York City.

6. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that:
 - A. Scientific evidence proves that consumers who use the Hollywood Diet can lose an average of 4% of their initial body weight in two days.
 - B. An endorser named Pete Johnson lost weight by using the Hollywood Diet.
7. In truth and in fact:
 - A. Scientific evidence does not prove that consumers who use the Hollywood Diet can lose an average of 4% of their initial body weight in two days.
 - B. The endorser referenced in Exhibit 1 as Pete Johnson does not exist, and the events related in his endorsement are fictional.

Therefore, the representations set forth in Paragraph 6 were, and are, false or misleading.

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8. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that:
- A. Consumers who use the Hollywood Diet can lose 10 lbs. in 48 hours.
 - B. Many celebrities, actors, actresses, and models – including some that star in the shows E.R. and Friends – have lost substantial weight by using the Hollywood Diet.
 - C. Testimonials for the Hollywood Diet reflect the typical or ordinary experience of members of the public who use the product.
9. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 8, at the time the representations were made.
10. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 8, at the time the representations were made. Therefore, the representation set forth in Paragraph 9 was, and is, false or misleading.

Enforma

11. Respondents have disseminated or have caused to be disseminated advertisements for Enforma, including but not necessarily limited to the attached Exhibit 2. These advertisements contain the following statements:

Dieters' dream . . . 'Exercise In A Bottle!'

Enforma is the natural system for eliminating fat without crazy diets or strenuous exercise.

By Donna White

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Like millions of Americans, you've probably tried many different diets, special food programs and other plans that have just not worked. If they did work, it was probably for a short period of time, and they failed you when your willpower gave in and you ate the foods you really love. That doesn't have to happen, not with the Enforma System. This remarkable program can help you shed those unwanted pounds, keep them off and give you power to eat what you want and enjoy yourself.

What's ideal . . . what's real. Most people know that certain things must occur for us to lose weight and keep it off, and this amazing system automatically provides them. . . . The desired result can be achieved by reducing our intake of calories as well as burning surplus calories with exercise. Unfortunately, both ways of ridding ourselves of unwanted fat are usually difficult to sustain. None of us wants to cut out delicious foods from our diets, and we can't always exercise when we want. In fact, many of us don't exercise at all. The Enforma System allows us to accomplish the goals of shedding pounds and keeping them off with its two breakthrough products, Fat Trapper and Exercise In A Bottle.

A one-two punch. We all know how hard it is to change eating habits, and when it comes to fatty foods, the habit may seem impossible to break. That's where Fat Trapper comes in. It literally binds up and traps fat as it enters your digestive system, before it can become absorbed into your body and stored on your hips, thighs, stomach and other parts of your body.

12. Through the means described in Paragraph 11, respondents have represented, expressly or by implication, that:
 - A. Consumers who use Enforma can lose substantial weight without the need for a restricted calorie diet or exercise.
 - B. Consumers who use Enforma can avoid weight gain without the need for a restricted calorie diet or exercise.

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13. Through the means described in Paragraph 11, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 12, at the time the representations were made.

14. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 12, at the time the representations were made. Therefore, the representation set forth in Paragraph 13 was, and is, false or misleading.

BMI Magnetic Kit

15. Respondents have disseminated or have caused to be disseminated advertisements for the BMI Magnetic Kit, including but not necessarily limited to the attached Exhibit 3. These advertisements contain the following statements:

‘Bio Magnets are superior to anything I’ve used before’

– Ronnie Lott, 10-time All-Pro

Amazing magnets from BMI reduce pain from muscle strain and injury without drugs, needles or physical therapy.

by C. Eddie Vernon

I have a spot in my lower back that can just kill me. . . . if I lift something heavy the wrong way, it throws my back out, and the pain is excruciating.

Frantic for pain relief. . . . I’ve tried the ‘traditional medicine’ route, with anti-inflammatory drugs that made me dopey. I’ve been massaged, had my back ‘cracked’ by 3 chiropractors, and even tried acupuncture. I’m so frustrated, I’ve been on the verge of demanding an expensive and dangerous operation on my spine!

Sports medicine breakthrough. Nothing provided satisfactory relief, and that’s why I tried ‘magnetic field therapy’ using BMI Magnets. The results have been

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excellent: my ‘bad back’ feels better than it has in YEARS! I get relief because of two football guys – George Anderson, an ex-trainer from the Oakland Raiders, and Ronnie Lott, an ex-defensive back. With decades of experience in a bone-crushing sport, including 7 Super Bowl wins, they know injuries . . . and how to handle them.

They tried magnetic field therapy, and saw for themselves it works. It is believed that the magnets work on the human body by actually enlarging the diameter of veins, arteries, and capillaries. This ‘vaso-ventilation’ increases blood flow, aids circulation, reduces inflammation, and suppresses the body’s production of pain-causing chemicals. . . . [It] has been used by thousands of former pain sufferers. . . . My advice to anyone with chronic or occasional pain is to give these a try. . . .

BMI MAGNETIC THERAPY [anatomical chart]

Lower Back Pain

Tennis Elbow

Carpal Tunnel Syndrome

Hand Pain

Ankle Strains

Neck Pain

Shoulder Pain

Hip Pain

Muscle Strains

Knee Pain

[Consumer endorser]: . . . ‘I’ve used hundreds of pain relieving products from all over the world and BMI’s bio magnetic therapy products have given me the best results.’ – Kurt Angle 1996 U.S. Olympic Gold Medalist.

16. Through the means described in Paragraph 15, respondents have represented, expressly or by implication, that an endorser named C. Eddie Vernon experienced significant pain relief by using the BMI Magnetic Kit.

17. In truth and in fact, the endorser referenced in Exhibit 3 as C. Eddie Vernon does not exist, and the events related in his

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endorsement are fictional. Therefore, the representation set forth in Paragraph 16 was, and is, false or misleading.

18. Through the means described in Paragraph 15, respondents have represented, expressly or by implication, that:

- A. The BMI Magnetic Kit relieves severe pain, whether chronic or occasional, anywhere in the body, including lower back pain, tennis elbow, carpal tunnel syndrome, hand pain, ankle strains, neck pain, shoulder pain, hip pain, muscle strains, and knee pain.
- B. The BMI Magnetic Kit can relieve pain more effectively than traditional medicine, anti-inflammatory drugs, massage, acupuncture, or chiropractic treatment.
- C. The BMI Magnetic Kit relieves pain through magnetic field therapy, which enlarges the diameter of veins, arteries and capillaries, increases blood flow, aids circulation, reduces inflammation, and suppresses the body's production of pain-causing chemicals.
- D. Testimonials for the BMI Magnetic Kit reflect the typical or ordinary experience of members of the public who use the product.

19. Through the means described in Paragraph 15, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 18, at the time the representations were made.

20. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 18, at the time the representations were made. Therefore, the representation set forth in Paragraph 19 was, and is, false or misleading.

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Nisim New Hair Biofactors System

21. Respondents have disseminated or have caused to be disseminated advertisements for Nisim, including but not necessarily limited to the attached Exhibit 4. These advertisements contain the following statements:

Finally . . . a drug-free way to combat hair loss!

Nisim International has combined the wisdom of ancient phytotherapy with modern science to create a dramatic hair-loss therapy.

by Justin Ellett

‘Thanks for the haircut, Margot, but what’s that big, bare spot on the top of my head?’ That was me, a year ago, joking with my hairdresser. Some joke! I was balding fast. I hounded barbers and hairdressers, thinking that among all their bottles, vials, and potions they must have a solution to what was becoming a major embarrassment for me. . . .

Personal advice from a pro. Well, Margot came through for me when she recommended Nisim New Hair Biofactors® Stimulating System. She confided she used it herself and she has the thickest head of hair you’d ever want to see. (That’s why she does!) She told me there were several hair restorers out there, but she warned, ‘Those prescription ones actually get into your blood stream.’ I had enough trouble with hair loss. I didn’t want to risk who-knows-what with hair growth drugs floating through my system.

Concentrated Nisim is about a fraction of the cost of heavily-advertised restorers, is simple to use (just 2 steps), and is formulated for both men and women. Herbal-based solution may stop excessive hair loss in a matter of days.

22. Through the means described in Paragraph 21, respondents have represented, expressly or by implication, that an endorser named Justin Ellett obtained positive hair-growth results by using Nisim.

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23. In truth and in fact, the endorser referenced in Exhibit 4 as Justin Ellett does not exist, and the events related in his endorsement are fictional. Therefore, the representation set forth in Paragraph 22 was, and is, false or misleading.

24. Through the means described in Paragraph 21, respondents have represented, expressly or by implication, that:

- A. Consumers who use Nisim can stop excessive hair loss in a matter of days.
- B. Nisim is as effective at stimulating hair growth as prescription products, or other heavily advertised restorers (such as Rogaine or Propecia).
- C. Testimonials for Nisim reflect the typical or ordinary experience of members of the public who use the product.

25. Through the means described in Paragraph 21, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 24, at the time the representations were made.

26. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 24, at the time the representations were made. Therefore, the representation set forth in Paragraph 25 was, and is, false or misleading.

Clarion Ionic Filter Ceiling Fan

27. Respondents have disseminated or have caused to be disseminated advertisements for Clarion, including but not necessarily limited to the attached Exhibit 5. These advertisements contain the following statements:

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**The world's most effective air purification . . .
and it takes up no floor space!**

The Clarion air filter fan removes dust, smoke particles, pollen, molds and other airborne contaminants as small as 0.1 micron.

by Michael Terry

. . . Every silent stroke of the 5 fan blades cleans away stale smoke and cooking odors. Dangerous dust mites and pet dander are swept from the air.

All day, all night, relief from allergies. Many notes from allergy sufferers tell us what an amazing difference the Clarion fan has made. Why is it more effective than traditional air cleaners? First, because its use is almost automatic: You flip on the fan and it goes to work, silently efficiently, circulating air throughout your room – filtering pollen, mold, airborne contaminants, with every turn of the blade. . . .

[Consumer endorser:] 'I have asthma and allergies . . . I use my Clarion fan in my bedroom and I absolutely love it! I just can't say enough about it . . . don't ever discontinue it! S.B. Easton, MA'

28. Through the means described in Paragraph 27, respondents have represented, expressly or by implication, that:
- A. Consumers who use the Clarion fan will experience relief from allergies and other respiratory problems.
 - B. The Clarion fan eliminates dust mites and pet dander from a user's environment.
 - C. Testimonials for the Clarion fan reflect the typical or ordinary experience of members of the public who use the product.
29. Through the means described in Paragraph 27, respondents have represented, expressly or by implication, that they possessed

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and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 28, at the time the representations were made.

30. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 28, at the time the representations were made. Therefore, the representation set forth in Paragraph 29 was, and is, false or misleading.

Sila Ionic Air Purifier

31. Respondents have disseminated or have caused to be disseminated advertisements for the Sila Ionic Air Purifier, including but not necessarily limited to the attached Exhibit 6. These advertisements contain the following statements:

Three ionic solutions for everyday pollution problems . . .

by Rob Gilmore

If you think air pollution is strictly an outdoor problem, you're in for a surprise. According to the Environmental Protection Agency, indoor air pollution represents our nation's biggest pollution problem. . . . people are more likely to get sick from the air they breathe indoors than outdoors. That's because we are trapped inside with everything from mold and mildew to bacteria and chemicals. Pet odors, organic odors and chemical odors are simply an indication of what we are breathing. Now an innovative company has developed breakthrough technology that can actually recreate the natural process that combats air pollution. . . .

The indoor pollution solution. The Sila Air Purifiers and Deodorizers from Lentek use new Zyonic technology to neutralize nasty odors and create cleaner, fresher air. They help solve the problem of indoor air pollution the same way that nature tries to solve pollution outdoors. They rid air of

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pollutants and odors by creating super oxygenated molecules, which convert the odors to pure oxygen. This process also introduces negative ions to pollutants like dust, smoke, soot and pollen. The combined molecules drop to the ground, significantly reducing the number of airborne pollutants.

32. Through the means described in Paragraph 31, respondents have represented, expressly or by implication, that the Sila air purifier eliminates mold, mildew, bacteria, chemicals, and pollutants from a user's environment.

33. Through the means described in Paragraph 31, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representation set forth in Paragraph 32, at the time the representation was made.

34. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representation set forth in Paragraph 32, at the time the representation was made. Therefore, the representation set forth in Paragraph 33 was, and is, false or misleading.

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

THEREFORE, the Federal Trade Commission this fifteenth day of April, 2002, has issued this complaint against respondents.

By the Commission.

Hollywood's new diet phenomenon

Lose up to 10 lbs this weekend!

The Hollywood "Miracle" diet features delicious, all-natural juices that help you lose weight while you cleanse, detoxify and rejuvenate your body.

by Pete Johnson

How often have you wasted precious time and money trying to lose weight? Let's see...I've tried every quick-fix, fad diet known to man...even tried the ones where you buy the pre-packaged food. They all seem to take months to show any results...and by that time my motivation is gone! Even straight fasting didn't work for me. Then I read about the Hollywood 48-Hour Miracle Diet and decided to try it—I had nothing to lose but weight—and I did!

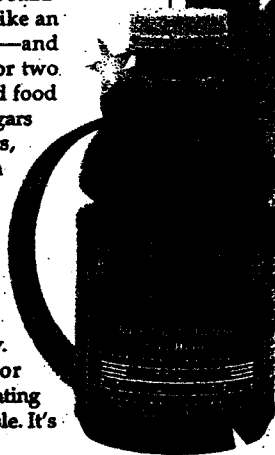
The skinny. James Kabler, world famous for his phenomenally successful Six Day Bio Diet, has now launched the faster and easier Miracle Diet. The Hollywood 48-Hour Miracle Diet is a special formulation of all-natural juices and botanical extracts so it looks like an ordinary bottle of juice—and works like a miracle! For two days you give up all bad food habits. In place of fats, sugars and artificial ingredients, you flood your body with the vitamins, minerals and essential oils found in this amazing juice. Just mix half of it with an equal amount of cold water and sip it throughout the day. It's so easy. There's no measuring or combining foods, no counting calories or points, no hassle. It's that easy.

Hollywood's best-kept diet secret. This amazing diet has been rushed to the sets of E.R., Friends, plus many of today's biggest celebrities. It's what actors, actresses and models use to fit into those sleek suits and sexy dresses—fast! And it's so delicious, refreshing and satisfying that it's featured on the menu of the famous Hollywood Hills Cafe. This phenomenal weight-loss program is great for anyone because you only have to stay on it for 2 DAYS TO SEE RESULTS! Ideal for people who have a special occasion coming up and want to look and feel their best—fast. High-school reunions, weddings, even that trip to Hawaii are all great reasons to lose a quick ten!

Detoxify your system. Based on the time-tested and popular European method of periodic cleansing of the body, the

all-natural, citrus-flavored juice supplies your body with vitamins, minerals, antioxidants, essential oils and other cleansing ingredients that detoxify and rejuvenate your body, while you shed pounds. And it supplies more than 100% of the U.S.R.D.A. of 12 essential vitamins in every serving.

And it's clinically proven. Tested by an independent lab, this remarkable diet produced impressive results. A clinical trial



Flavors:
Pineapple
Apple
Orange
Grapefruit
Apricot
Peach
Banana

• No counting calories or diet points

involving 10 volunteers found that subjects lost an average of 4% of their initial body weight and noted "obvious results" at the end of two days. The diet supplied all of the needed nutrients required over the two-day period with no adverse side effects, and no problems with hunger or fatigue. All subjects were pleased and wanted to use the diet again!

There are no failures on this diet—you will lose weight—guaranteed! Lose up to 10 pounds in just 48 hours with NO risk. If you're not 100% satisfied, return the unused portion within 30 days for a full refund, "No Questions Asked" refund. Dieting is easier when you do it with a friend or spouse, so order enough for two!

Don't take our word for it

"I lost 10 pounds in 48 hours. I broke my plateau weight of 135 to 125 pounds. It was so easy—I'm telling all my friends about it!"

Elizabeth K., New York City

"I use Hollywood's 48-Hour Miracle Diet once a month to detoxify my body and lose those extra pounds I put on."

Michael J., Chicago Illinois

"My boyfriend called and invited me to go sailing. I quickly did the Hollywood's 48-Hour Miracle Diet, lost 8 pounds and got into my bathing suit."

Jennifer T., San Diego, CA

—Results may vary—

Hollywood 48-Hour Miracle Diet

One 32 fl. oz. bottle. . . . \$24.95 \$5.95 S&H

Buy 2 or more. . . . \$19.95 each

Please mention promotional code T371-Z119.

For fastest service, call toll-free 24 hours a day

800-704-1211



To order by mail, send check or money order for the total amount including S&H. To charge it to your credit card, enclose your account number and expiration date.

Virginia residents only—please include 4.5% sales tax.

comtrad Industries
2820 Waterford Lake Dr., Suite 102
Midlothian, Virginia 23112

EXHIBIT 1

Dieters' dream...

"Exercise In A Bottle!"

Enforma is the natural system for eliminating fat without crazy diets or strenuous exercise.

by Donna White

Like millions of Americans, you've probably tried many different diets, special food programs and other plans that have just not worked. If they did work, it was probably for a short period of time, and they failed you when your willpower gave in and you ate the foods you really love. That doesn't have to happen, not with the Enforma System. This remarkable program can help you shed those unwanted pounds, keep them off and give you the power to eat what you want and enjoy yourself.

What's ideal...what's real. Most people know that certain things must occur for us to lose weight and keep it off, and this amazing system automatically provides them. We must reduce our net calories—those calories still available in our bodies after we have used the total available calories as

fuel for the activities of our daily lives. The desired result can be achieved by reducing our intake of calories as well as burning surplus calories with exercise. Unfortunately, both ways of ridding ourselves of unwanted fat are usually difficult to sustain. None of us wants to cut out

Fat Trapper binds fat as it enters your digestive system and allows it to pass through without absorbing

- With Chitozyme™
- Controls fat absorption*
- Supports healthy cholesterol and triglyceride levels*
- Helps reduce calorie absorption from fat*

delicious foods from our diets, and we can't always exercise when we want. In fact, many of us don't exercise at all. The Enforma System allows us to accomplish the goals of shedding pounds and keeping them off with its two breakthrough products, Fat Trapper and Exercise In A Bottle.

A one-two punch. We all know how hard it is to change eating habits, and when it comes to fatty foods, the habit may seem

impossible to break. That's where Fat Trapper comes in. It literally binds up and traps fat as it enters your digestive system, before it can become absorbed into your body and stored on your hips, thighs, stomach and other parts of your body*. Unlike some other products on the market, the process is natural and caffeine-free. Fat Trapper is a proprietary blend of insoluble plant fibers and soluble shellfish fiber. This blend, called Chitozyme™, has the characteristic of attracting and

bundling fat molecules, causing them to pass through the body without being absorbed*. The second component is Exercise In A Bottle, which contains Pyruvate. Test results have shown that people who take Pyruvate in conjunction with mild exercise experience greater weight loss and fat reduction than those who simply exercise. While no one knows exactly how the process works, it is suggested that it can help your body work more efficiently*.

Exercise In A Bottle does this without caffeine, so there are no jitters or sleeplessness...often associated with other products that seek to raise the body's metabolic rate. Pyruvate is naturally present in small quantities in the human body and in many of the foods we eat, so it's safe and natural. Exercise In A Bottle also includes Chromium Picolinate and Ginkgo Biloba*. The combined effects of these all-natural ingredients is an ideal part of any fat-reduction program.

A complete weight loss system. In addition to the two powerful supplements, the Enforma System includes a booklet containing valuable information on the dynamics of calorie reduction and increasing activity levels. This information, combined with the supplements, will assist you

Natural exercise without working out.

Exercise In A Bottle contains Pyruvate, which helps to maximize energy production and helps the body work more efficiently. It also contains Chromium Picolinate and Ginkgo Biloba. It does not contain caffeine, so it won't cause nervousness or jitters.

in achieving your goals. With the consultation of a registered dietitian, the makers of Enforma have developed a special low-calorie eating plan that not only indicates what and how much you should eat, but will begin to train you to make better food choices. Plus with our special discount for a 60-day supply, you can lose weight for less.

Why take our word for it...it's risk-free.

Now you can try the Enforma System for yourself with Comtrad's exclusive risk-free home trial. If you are not completely satisfied simply return the unused portion within 30 days for a full "No Questions Asked" refund.

Note: Fat Trapper and Exercise In A Bottle may be effective in overall weight control, especially when used in conjunction with a physician-approved exercise program and an appropriate reduced-calorie diet.

*These statements have not been evaluated by the FDA. This product is not intended to diagnose, treat, cure or prevent any disease.

Enforma System \$89.95 \$4.95 S&H
Please mention promotional code 6722-Z119.

For fastest service, call toll-free 24 hours a day
800-704-1211

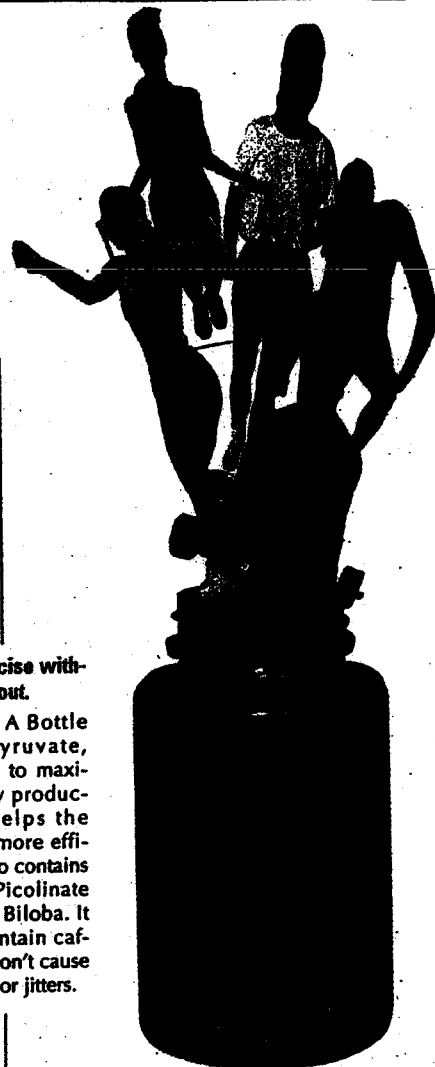
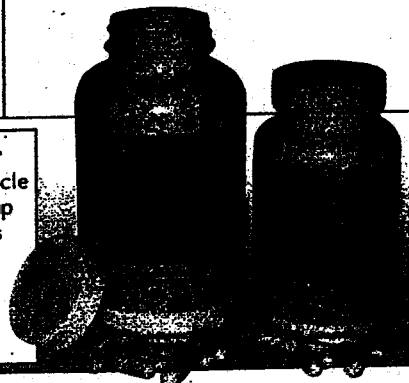
To order by mail, send check or money order for the total amount including S&H. To charge it to your credit card, enclose your account number and expiration date.

Virginia residents only—please include 4.5% sales tax.

comtradindustries
2820 Waterford Lake Drive, Suite 102 Midlothian, VA 23112

The one-two punch in fighting fat.

Most of us gain weight as we age, as muscle tone decreases and our body tries to build up fat. The Enforma System can change this process. By causing fat to pass through the body unabsorbed, this remarkable program enables us to avoid this cycle of weight gain.



"Bio Magnets are superior to anything I've used before"

—Ronnie Lott, 10-time All-Pro

Amazing magnets from BMI reduce pain from muscle strain and injury without drugs, needles or physical therapy.

by C. Eddie Vernon

I have a spot in my lower back that can just kill me. My chiropractor says I'm out of alignment, but I say, "Oh my aching back!" It doesn't hurt all the time, but when I'm tired, or if I lift something heavy the wrong way, it throws my back out, and the pain is excruciating.

Frantic for pain relief. I've been frantic for relief. I've had x-rays, tried deep-heat, I've used ice and heat (and I've tried alternating them). I've tried the "traditional medicine" route, with anti-inflammatory drugs that made me doze. I've been massaged, had my back "cracked" by 3 chiropractors, and even tried acupuncture. I'm so frustrated, I've been on the verge of demanding an expensive and dangerous operation on my spine!

Sports medicine breakthrough.

Nothing provided satisfactory relief, and that's why I tried "magnetic field therapy" using BMI Magnets. The results have been excellent: my "bad back" feels

better than it has in YEARS! I get relief because of two football guys—George Anderson, an ex-trainer from the Oakland Raiders, and Ronnie Lott, an ex-defensive back. With decades of experience in a bone-crushing sport, including 7 Super Bowl wins, they know injuries...and how to handle them.

They tried magnetic field therapy, and saw for themselves it works. It is believed that the magnets work on the human body by actually enlarging the diameter of veins, arteries, and capillaries. This "vaso-ventilation" increases blood flow; aids circulation, reduces inflammation, and suppresses the

body's production of pain-causing chemicals.

Do-it-yourself pain treatment.

George and Ronnie's breakthrough was to create a company that makes bio-magnetic therapy available and affordable for the ordinary "weekend warrior" like me. The magnets are simply put over the problem

area and held there for minutes...hours...all day long...or all night while sleeping, as desired. The inventors recommend a PREVENTATIVE strategy: strapping them on prior to exercise. They also recommend a TREATMENT strategy: as soothing treatment for muscles following an injury. It's 100% natural, non-intrusive, safe, and has been used by thousands of former pain-sufferers.

Permanent magnets and comfortable belts.

When you buy BMI Magnets, you get four perma-

nent magnetic disks—two 1.5" and two 4". You also get four belts made of soft, durable, washable medical foam and neoprene into which the disks slip. The Back Belt takes care of bad backs like mine, and the other belts let you apply the magnets to just about any place on your aching body.

Try it...you have nothing to lose but pain! Exasperation with pain motivated me to try just about anything for relief, and that got me my solution: BMI Magnets. My advice to anyone with chronic or occasional pain is to give these a try. At only \$69.95, they're equivalent to a couple of trips to physical therapy. They come with a 30-day manufacturer's



It is believed that the magnets work on the human body by actually enlarging the diameter of veins, arteries, and capillaries. This "vaso-ventilation" increases blood flow, aids circulation, reduces inflammation, and suppresses the body's production of pain-causing chemicals.

BMI MAGNETIC THERAPY

Lower Back Pain

Neck, Elbow

Carpal Tunnel
Sprain

Hand Pain

Arthritis

warranty and Comtrad's exclusive risk-free home trial. If you are not completely satisfied, return them within 90 days for a full "No Questions Asked" refund. Magnetic therapy system is not a medical device.

DON'T JUST TAKE OUR WORD FOR IT



BMI Magnetic Kit. \$69.95 \$7.95 S&H

Kit includes one lower back belt, two small disks, two large disks, and three body wraps (10", 15" and 20").

Magnetic therapy products should not be worn during pregnancy and should not be used by individuals with a cardiac pacemaker or defibrillator.

Please mention promotional code 4133-Z118.

For fastest service, call toll-free 24 hours a day

800-704-1211



To order by mail, send check or money order for the total amount including S&H. To charge it to your credit card, enclose your account number and expiration date.

Virginia residents only—please include 4.5% sales tax.

comtrad industries
2820 Waterford Lake Dr., Suite 102
Midlothian, Virginia 23113

EXHIBIT 3

Finally...a drug-free way to combat hair loss!

Nisim International has combined the wisdom of ancient phytotherapy with modern science to create a dramatic hair-loss therapy.

by Justin Ellett

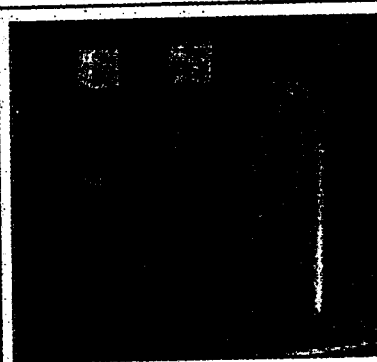
Thanks for the haircut, Margot, but what's that big, bare spot on the top of my head?" That was me, a year ago, joking with my hairdresser. Some joke! I was balding fast. I hounded barbers and hairdressers, thinking that among all their bottles, vials, and potions they must have a solution to what was becoming a major embarrassment for me.

Falling hair, falling self esteem. I'd wake up and count the hairs on my pillow. So many! I'd gently tug on what was once a dense forelock and out would pop four, six, ten more hairs. I started looking older... much older than I actually was. I'm no movie star, but turning into a "chrome dome" was putting a serious dent in my self esteem, and I actually started avoiding people at the office and at parties.

Personal advice from a pro. Well, Margot came through for me when she recommended Nisim NewHair Biofactors® Stimulating System. She confided she used it herself and she has the thickest head of hair you'd ever want to see. (That's why she does!) She told me there were several hair restorers out there, but she warned, "Those prescription ones actually get into your blood stream." I had enough trouble with hair loss. I didn't want to risk who-knows-what with hair growth drugs floating through my system.

Concentrated Nisim is about a fraction of the cost of heavily-advertised restorers, is simple to use (just 2 steps), and is formulated for both men and women. Herbal-based solution may stop excessive hair loss in a matter of days. Nisim is a two-part system extracted from natural herbs. Lather up daily with Nisim Scalp Cleansing Shampoo, a specially prepared, deep-cleansing formula. It effectively removes

perspiration and surface oils which are harmful to your hair follicles. Far more significant, it also neutralizes Dihydrotestosterone (DHT)—a hormone-based chemical both men and women produce that actually causes your hair to weaken and not re-grow. Then, apply just a

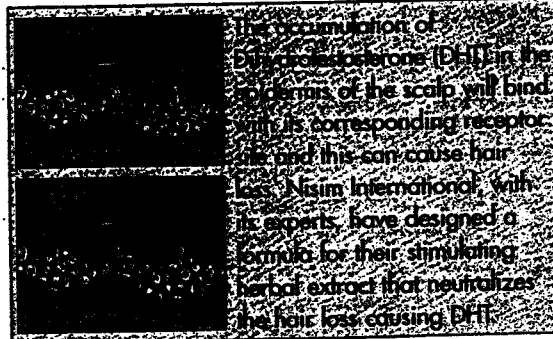


Nisim Advantages

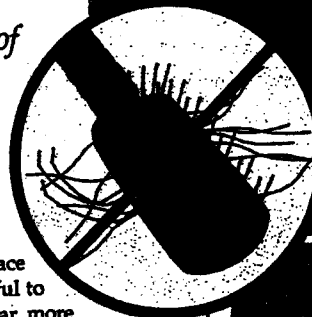
- Shampoo alone combats excessive hair loss in a matter of days.
- Neutralizes and controls the causes of premature or excessive hair loss.
- Not a drug—safe to use with no ill side effects.

few drops of Nisim Hair Stimulating Extract to your thinning areas and massage it into your scalp. Later in the day, apply the extract again. That's it! Rich and nourishing. Micro-encapsulated,

micro-emulsified Nisim Extract slips between the cells of your scalp to penetrate deep into the hair follicles themselves, where it nourishes, nurses, and revives failing hair replacement cells. Its double-extracted fatty acids feed and stimulate your hair. Its palmetto extract contains cyclic ringed carbons that protect your scalp. Its sulfur-containing amino



the accumulation of Dihydrotestosterone (DHT) in the cells of the scalp will bind to its corresponding receptor, and this can cause hair loss. Nisim International, with its experts, have designed a formula for their stimulating herbal extract that neutralizes the hair loss-causing DHT.



stopped thinning within a few days of using the shampoo. As for the hair stimulating Extract, it does take some time to see the results. But within a few weeks, my hair was back to its normal state.

acids are building blocks for protein...and hair is made of protein! More ingredients strengthen and support each hair, supply growth energy, and optimize growing conditions. Finally, naturally-occurring vasodilators maximize your body's use of all this natural goodness.

Time to stop losing! If you're losing your hair like I was, you've already lost enough. Try Nisim NewHair Biofactors® Stimulating System RISK-FREE. The system comes with Comtrad's 90-day risk-free home trial. If you're not completely satisfied, simply return it for a full "No Questions Asked" refund.

New Hair Biofactors® System

..... \$49.95 \$12 S&H

Kit includes 8oz. Normal to Dry Shampoo, 8oz. Finishing Rinse, 8oz. Gel Formula Stimulating Extract or 8oz. Normal to Oily Shampoo, 8oz. Oil Free Conditioner, 8oz. Original Formulation Extract

Please mention promotional code 6182-Z119.

For fastest service, call toll-free 24 hours a day

800-704-1211



To order by mail, send check or money order for the total amount including S&H. To charge it to your credit card, enclose your account number and expiration date.

Virginia residents only—please include 4.5% sales tax.



comtrad industries

2820 Waterford Lake Dr., Suite 102
Midlothian, Virginia 23112

EXHIBIT 4

The world's most effective air purification... and it takes up no floor space!

The Clarion air filter fan removes dust, smoke particles, pollen, molds and other airborne contaminants as small as 0.1 micron.

by Michael Terry

In our travels we noticed that the finest hotels and restaurants, no matter how well air-conditioned, depended upon ceiling fans for customer comfort. They are out of the way, have no tangling cords yet provide silent, draft-free circulation for an entire room. We were so impressed we decided to put them in the new home we were building. So we went shopping—and made a marvelous discovery!

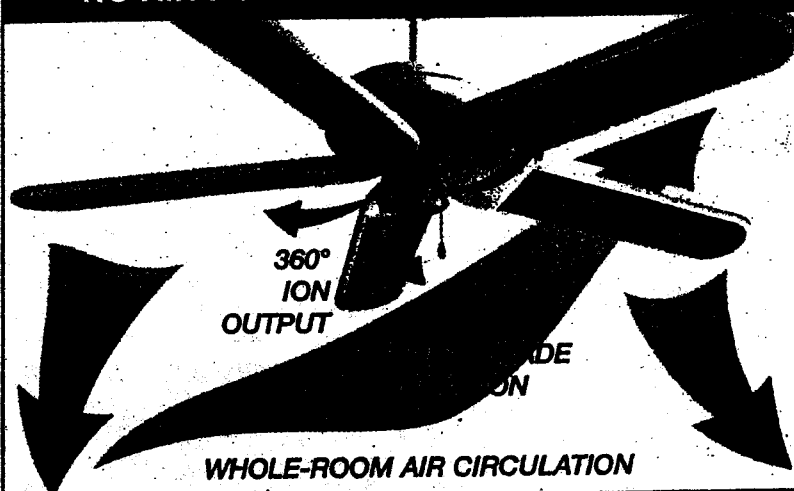
It's a brand new kind of ceiling fan—nothing else like it on the market—the Clarion "Air-Cleaning" fan: It's silent, powerful, draft-free, has all the Euro-style charm of traditional fans but, get this, it also cleans your air every second it's on!

Sweeps away odors, smoke, dust, with every stroke. There is no "gadgets" look, none of the whirl and blow of conventional air cleaners. A clever carbon filtration system is built unobtrusively into each fan blade. An ionizer hidden in the fan's center pre-charges contaminant particles for easy retrieval; doubling the fan's filtration efficiency.

Every silent stroke of the 5 fan blades cleans away stale smoke and cooking odors. Dangerous dust mites and pet dander are swept from the air.

All day, all night, relief from allergies. Many notes from allergy sufferers tell us what an amazing difference the Clarion fan has made. Why is it more effective than traditional air cleaners? First, because its use is almost automatic: You flip on the fan and it goes to work, silently efficiently, circulating air throughout your room—filtering pollen, mold, airborne contaminants, with every turn of the blade. It doesn't occupy the table or floor space or make the motor noises of a conventional room air cleaner, yet it purifies a 12' x 16'

NO AIR PURIFIER MOVES THIS MUCH AIR



room with ease. It consumes no more power than a 65-watt bulb so many people leave it on all day.

Better cooling and heating efficiency than ever before. You've experienced it in your own home—part of the room is cool, part too warm. There's no air movement to blend temperatures. Or, even if your heating and air-conditioning systems are working perfectly, rooms become stuffy. The problem: no circulation. Stagnant air, with its odors and fine dirt particles, just hangs there.

The best test of this fan is your first party! As your rooms fill and conversations become active, it's surprising how quickly temperatures seem to rise. Quietly turn on the Clarion Air Cleaning Fan and, in a few minutes, watch how your guests brighten up. Fresh air circulates freely, the stuffiness is whisked away. You'll be amazed how quickly it takes effect!

A major life style improvement for a modest price. For less than the price of most

Dual Filtration Technology

As the fan blades rotate, dust, smoke, pollen and unpleasant

cooking or pet odors are literally swept right out of the air.

small TVs this revolutionary new air cleaning fan will bring you and your guests years and years of comfort. During allergy or high-fog periods it can be a godsend for sensitive people. It will certainly pay for itself in more efficient heating and cooling costs. It comes with a two-year manufacturer's limited warranty and Comtrad's exclusive risk-free home trial. If you are not satisfied for any reason, simply return it within 30 days for a complete "No Questions Asked" refund.

The coolest way to clean your air

- Removes dust, smoke particles, pollen, molds and other airborne contaminants as small as 0.1 micron.
- Carbon filter helps to reduce unpleasant cooking, pet and nursery odors.
- Energy efficient—evenly distributes warm or cool air for maximum comfort in winter or summer.
- Occupies no valuable table or floor space.
- 12' x 16' recommended room size based on ANSI/ASHRAE AC-1 testing

"I have asthma and allergies...I use my Clarion fan in my bedroom and I absolutely love it! I just can't say enough about it...don't ever discontinue it!"

S.B.
Easton, MA

—results may vary

Ionic Filter Ceiling Fan

..... \$199.95 \$19.95 S&H

Please mention promotional code 7171-Z108.

For fastest service, call toll-free 24 hours a day

800-704-1211



To order by mail, send check or money order for the total amount including S&H. Or charge it to your credit card by enclosing your account number and expiration date.

Virginia residents only—please add 4.5% sales tax.

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Why put up with unpleasant odors?

Three ionic solutions for everyday pollution problems

Three revolutionary products help you purify your air, neutralize unpleasant odors and freshen your garments using the latest ionic technology.

by Rob Gilmore

If you think air pollution is strictly an outdoor problem, you're in for a surprise. According to the Environmental Protection Agency, indoor air pollution represents our nation's biggest pollution problem. This is largely due to the fact that buildings and structures tend to block out nature's clearing agents, trapping the pollutants inside with us. What's more people are more likely to get sick from the air they breathe indoors than outdoors. That's because we are trapped inside with everything from mold and mildew to bacteria and chemicals. Pet odors, organic odors and chemical odors are simply an indication of what we are breathing. Now, an innovative company has developed breakthrough technology that can actually recreate the natural process that combats air pollution. They have incorporated this revolutionary concept into three products that can help improve the air we breathe.

The indoor pollution solution. The Sila Air Purifiers and Deodorizers from Lentek use new Zyonic technology to neutralize nasty odors and create cleaner, fresher air. They help solve the problem of indoor air pollution the same way that nature tries to solve pollution outdoors. They rid air of pollutants and odors by creating super oxygenated molecules, which convert the odors to pure oxygen. This process also introduces

negative ions to pollutants like dust, smoke, soot and pollen. The combined molecules drop to the ground, significantly reducing the number of airborne pollutants.

Portable purification. The Sila Air Purifier/Deodorizer puts the latest Zyonic technology into a plug-in unit with two selectable settings. The Super O3 setting helps remove odors, so it's perfect

for kitchens, laundry rooms, bathrooms, basements and pet areas. The Super Ionic Release setting helps remove airborne particles, so it's great for bedrooms, living rooms, hallways and dens. This is the first product that includes these two technologies in a single compact unit. Just plug it into any outlet, and it operates silently. Since it operates on just pennies a day, you can put one in each room of your house. By providing a flow of 125 trillion ions per second, this portable purifier covers up to a 12-foot by 12-foot area. The unit includes a handy night light, and there are no expensive filters to replace—all you have to do is plug it in. You can take it with you. We not only breathe indoor pollution, we carry it around on our clothes. Even though that dress jacket may not be dirty, it no longer has that fresh from the cleaner smell. After a night out, it may even smell of stale smoke. In today's society, whether you're on business or leisure travel, you might not have the luxury of bringing several garments with you. You still want to have fresh, clean clothing, and dry cleaning may not be an option. It can be expensive, inconvenient and can shorten the life of your clothes. Now, the Sila Closet, Garment and

Travel Air Purifier and Deodorizer lets you take Zyonic technology on the

road. This handy device hangs directly in your closet or garment bag, making it ideal for business travelers. It also has an exclusive "Cedar Bead Chambers" that protect stored clothing from mold and insects.

Portable dry cleaner. The Sila Clothes Freshener and Lint Brush sweeps away unpleasant odors using Zyonic technology. As it removes the odors, it removes lint and pet hair at the same time. It silently circulates air to help rid the clothes of odor. It operates on one 9-volt battery and can easily fit into a pocket or purse. It has a flashing green light to indicate that it's working and an automatic shutoff that is activated after 5 minutes.

Try them for yourself...risk-free. Now you can protect yourself from indoor air pollution...for a reduced price. You can get these purifiers individually, or get a special discount for ordering all three. They come with a two-year manufacturer's limited warranty and Comtrad's exclusive risk-free home trial. If you are not completely satisfied for any reason, simply return your purchase within 90 days for a full "No Questions Asked" refund.

Ionic Air Purifier		\$49.95	\$4.95 S&H
Ionic Garment Purifier		\$49.95	\$4.95 S&H
Ionic Clothes Freshener/Lint Brush		\$49.95	\$4.95 S&H
2 or more		\$39.95 each	\$4.95 S&H

Please mention promotional code 7291-2109.

For fastest service, call toll-free 24 hours a day

800-704-1211



To order by mail, send check or money order for the total amount including S&H. Or charge it to your credit card by enclosing your account number and expiration date. Virginia residents only—please add 4.5% sales tax.

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Midlothian, Virginia 23112

Decision and Order

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 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 violations of the Federal Trade Commission Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, and admission by the respondents of all the jurisdictional facts set forth in the draft 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 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 thirty (30) 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. Respondent TechnoBrands, Inc. ("TBI") is a Virginia corporation with its principal office or place of business at 1998 Ruffin Mill Road, Colonial Heights, Virginia 23834.
2. Respondent Charles J. Anton ("Anton") is a shareholder and President of TBI. His principal office or place of business is the same as that of TBI.

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

ORDER

DEFINITIONS

For 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 TBI, its successors and assigns and its officers; Anton, individually and as an officer of TBI; 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, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Hollywood 48-Hour Miracle Diet or any substantially similar product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that:

- A. Consumers who use such product can lose 10 lbs. in 48 hours; or

Decision and Order

- B. Many celebrities, actors, actresses, and models – including some that star in the television shows E.R. and Friends – have lost substantial weight by using such product;

unless at the time the representation is made, respondents possess and rely upon competent and reliable evidence that substantiates the representation. In the case of the representation set forth in subparagraph A (regarding weight loss) the substantiation must consist of competent and reliable scientific evidence.

II.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Enforma System or any substantially similar product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that:

- A. Consumers who use such product can lose substantial weight without the need for a restricted calorie diet or exercise; or
- B. Consumers who use such product can avoid weight gain without the need for a restricted calorie diet or exercise;

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

III.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the BMI Magnetic Kit or any substantially similar product in or affecting commerce, shall not

Decision and Order

make any representation, in any manner, expressly or by implication, that:

- A. Such product relieves severe pain, whether chronic or occasional, anywhere in the body, including lower back pain, tennis elbow, carpal tunnel syndrome, hand pain, ankle strains, neck pain, shoulder pain, hip pain, muscle strains, and knee pain;
- B. Such product can relieve pain more effectively than traditional medicine, anti-inflammatory drugs, massage, acupuncture, or chiropractic treatment; or
- C. Such product relieves pain through magnetic field therapy, which enlarges the diameter of veins, arteries and capillaries, increases blood flow, aids circulation, reduces inflammation, and suppresses the body's production of pain-causing chemicals;

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, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Nisim New Hair Biofactors System or any substantially similar product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that:

- A. Consumers who use such product can stop excessive hair loss in a matter of days; or
- B. Such product is as effective at stimulating hair growth as prescription products, or other heavily advertised restorers (such as Rogaine or Propecia);

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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, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Clarion Ionic Filter Ceiling Fan or any substantially similar product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that:

- A. Consumers who use such product will experience relief from allergies and other respiratory problems; or
- B. Such product eliminates dust mites and pet dander from a user's environment;

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

VI.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Sila Ionic Air Purifier or any substantially similar product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that the Sila air purifier eliminates mold, mildew, bacteria, chemicals, and pollutants from a user's environment, unless at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

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VII.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or service in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the comparative or absolute benefits, performance, or efficacy of such product or service, unless, at the time the representation is made, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

VIII.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or service 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.

IX.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or service in or affecting commerce, shall not represent, in any manner, expressly or by implication, that: (A) Any user testimonial or endorsement of the product reflects the actual and current opinions, findings, beliefs, or experiences of the user or (B) the experience represented by any user testimonial or endorsement of the product represents the typical or ordinary experience of members of the public who use the product, unless:

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1. the representation is true and, at the time it is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the 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 users of the product, 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.

For purposes of this Part, "endorsement" shall mean as defined in 16 C.F.R. § 255.0(b).

X.

IT IS FURTHER ORDERED that, no later than the date this order becomes final, respondents shall pay to the Federal Trade Commission the sum of two hundred thousand dollars (\$200,000), under the following terms and conditions:

- A. The payment shall be made by wire transfer or certified or cashier's check made payable to the Federal Trade Commission. In the event of any default in payment, which default continues for ten (10) days beyond the due date of payment, the amount due, together with interest, as computed pursuant to 28 U.S.C. § 1961 from the date of default to the date of payment, shall immediately become due and payable.
- B. The funds paid by respondents, together with any accrued interest, shall, in the discretion of the Commission, be used by the Commission to provide direct redress to purchasers of the products outlined in the complaint issued

Decision and Order

in this proceeding, and to pay any attendant costs of administration. If the Commission determines, in its sole discretion, that redress to purchasers of this product is wholly or partially impracticable or is otherwise unwarranted, any funds not so used shall be paid to the United States Treasury. Respondents shall be notified as to how the funds are distributed, but shall have no right to contest the manner of distribution chosen by the Commission. No portion of the payment as herein provided shall be deemed a payment of any fine, penalty or punitive assessment.

- C. Respondents relinquish all dominion, control and title to the funds paid, and all legal and equitable title to the funds vests in the Treasurer of the United States and in the designated consumers. Respondents shall make no claim to or demand for return of the funds, directly or indirectly, through counsel or otherwise; and in the event of bankruptcy of respondent, respondent acknowledges that the funds are not part of the debtor's estate, nor does the estate have any claim or interest therein.

XI.

IT IS FURTHER ORDERED that respondent TBI, and its successors and assigns, and respondent Anton shall, for three (3) 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

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relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

XII.

IT IS FURTHER ORDERED that respondent TBI, and its successors and assigns, and respondent Anton (when Anton is the majority shareholder or officer of a business involved in the advertising and sale of products to the public) shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondents shall deliver this order to current above referenced personnel within thirty (30) days after the date of service of this order, and to future above referenced personnel within thirty (30) days after the person assumes such position or responsibilities. Respondents shall maintain for a period of three (3) years after creation, and upon reasonable notice, make available to representatives of the Commission, the original signed and dated acknowledgments of the receipt of copies of this order.

XIII.

IT IS FURTHER ORDERED that respondent TBI, and its successors and assigns, and respondent Anton (when Anton is the majority shareholder or officer of a business involved in the advertising and sale of products to the public) shall deliver a copy of Attachment A to this order to all current and future employees, agents, and representatives having responsibilities with respect to the advertising and sale of products to the public, and shall secure from each such person a signed and dated statement acknowledging receipt of Attachment A. Respondents shall deliver Attachment A 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. Respondents shall maintain for a period of three (3) years after creation, and upon reasonable notice, make available to representatives of the Commission, the original

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signed and dated acknowledgments of the receipt of copies of Attachment A.

XIV.

IT IS FURTHER ORDERED that respondent TBI and its successors and assigns shall notify the Commission at least thirty (30) days prior to any change in the corporation 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 corporation; 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 corporate name or address. Provided, however, that, with respect to any proposed change in the corporation 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, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580.

XV.

IT IS FURTHER ORDERED that respondent Anton, for a period of three (3) 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 involving the sale of consumer products and/or services. 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, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580.

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XVI.

IT IS FURTHER ORDERED that respondent TBI, and its successors and assigns, and respondent Anton 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.

XVII.

This order will terminate on April 15, 2022, 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.

By the Commission.

Decision and Order

ATTACHMENT A**LEGAL NOTICE**

As a result of an agreement among TBI and Charles Anton (collectively the “business”) and the Federal Trade Commission, you are to be informed of the following:

- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Hollywood 48-Hour Miracle Diet, or any substantially similar product in or affecting commerce, there shall be no representation made in any manner, expressly or by implication, that:
 - (1) Consumers who use such product can lose 10 lbs. in 48 hours;
or
 - (2) Many celebrities, actors, actresses, and models – including some that star in the television shows E.R. and Friends – have lost substantial weight using such product; unless at the time the representation is made, the business possesses and relies upon competent and reliable evidence that substantiates the representation. In the case of the representation set forth in subparagraph (1) (regarding weight loss), the substantiation must consist of competent and reliable scientific evidence.
- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Enforma System, or any substantially similar product in or affecting commerce, there shall be no representation made in any manner, expressly or by implication, that:
 - (1) Consumers who use such product can lose substantial weight without the need for a restricted calorie diet or exercise; or
 - (2) Consumers who use such product can avoid weight gain without the need for a restricted calorie diet or exercise;unless at the time the representation is made, the business possesses and relies upon competent and reliable scientific evidence that substantiates the representation.

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- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the BMI Magnetic Kit, or any substantially similar product in or affecting commerce, there shall be no representation made in any manner, expressly or by implication, that:

- (1) Such product relieves severe pain, whether chronic or occasional, anywhere in the body, including lower back pain, tennis elbow, carpal tunnel syndrome, hand pain, ankle strains, neck pain, shoulder pain, hip pain, muscle strains, and knee pain;
- (2) Such product can relieve pain more effectively than traditional medicine, anti-inflammatory drugs, massage, acupuncture, or chiropractic treatment; or
- (3) Such product relieves pain through magnetic field therapy, which enlarges the diameter of veins, arteries and capillaries, increases blood flow, aids circulation, reduces inflammation, and suppresses the body's production of pain-causing chemicals;

unless at the time the representation is made, the business possesses and relies upon competent and reliable scientific evidence that substantiates the representation.

- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Nisim New Hair Biofactors System, or any substantially similar product in or affecting commerce, there shall be no representation made in any manner, expressly or by implication, that:

- (1) Consumers who use such products can stop excessive hair loss in a matter of days; or
- (2) Such product is as effective at stimulating hair growth as prescription products, or other heavily advertised restorers (such as Rogaine or Propecia);

unless at the time the representation is made, the business possesses and relies upon competent and reliable scientific evidence that substantiates the representation.

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- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Clarion Ionic Filter Ceiling Fan or any substantially similar product in or affecting commerce, there shall be no representation made in any manner, expressly or by implication, that:
 - (1) Consumers who use such product will experience relief from allergies and other respiratory problems; or
 - (2) Such product eliminates dust mites and pet dander from a user's environment;unless at the time the representation is made, the business possesses and relies upon competent and reliable scientific evidence that substantiates the representation.
- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of the Sila Ionic Air Purifier, or any substantially similar product in or affecting commerce, there shall be no representation made in any manner, expressly or by implication, that the Sila Ionic Air Purifier eliminates mold, mildew, bacteria, chemicals, and pollutants from a user's environment, unless at the time the representation is made, the business possesses and relies upon competent and reliable scientific evidence that substantiates the representation.
- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or service in or affecting commerce, there shall be no representation made in any manner, expressly or by implication, about the comparative or absolute benefits, performance, or efficacy of such product or service unless, at the time the representation is made, the business possesses and relies upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.
- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution or any product or service in or affecting commerce, there shall be no misrepresentation made in any manner, expressly or by implication, regarding the existence,

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contents, validity, results, conclusions, or interpretations of any test, study, or research.

- In connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or service in or affecting commerce, there shall be no representation in any manner, expressly or by implication, that:
 - (1) Any user testimonial or endorsement of the product reflects the actual and current opinions, findings, beliefs, or experiences of the user; or
 - (2) The experience represented by any user testimonial or endorsement of the product represents the typical or ordinary experience of members of the public who use the product, unless:
 - (a) The representation is true and, at the time it is made, the business possesses and relies upon competent and reliable scientific evidence that substantiates the representation; or
 - (b) The business discloses clearly and prominently, and in close proximity to the endorsement or testimonial, either:
 - (i) what the generally expected results would be for users of the product; or
 - (ii) 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.

ANY VIOLATION OF THIS AGREEMENT COULD RESULT IN SUBSTANTIAL MONETARY OR OTHER PENALTIES FOR TBI OR MR. ANTON. ANY QUESTION YOU MAY HAVE REGARDING YOUR CONDUCT AND THIS AGREEMENT SHOULD BE DIRECTED TO AN OFFICER OF TBI OR OUR

Decision and Order

OUTSIDE LEGAL COUNSEL, W. JEFFERY EDWARDS (804-788-8721), AS SOON AS POSSIBLE.

I acknowledge that I have received this LEGAL NOTICE

Print Name

Signature

Date

Analysis

Analysis of Proposed Consent Order to Aid Public Comment

The Federal Trade Commission has accepted, subject to final approval, an agreement to a proposed consent order from respondents TechnoBrands, Inc., and Charles J. Anton, individually and as president of the corporate respondent.

The proposed consent order has been placed on the public record for thirty (30) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

This matter concerns practices related to the advertising, offering for sale, sale, and distribution of various products to the public, including the Hollywood 48-Hour Miracle Diet, a liquid diet; the Enforma System, a diet product combination consisting primarily of chitosan and pyruvate; the BMI Magnetic Kit, a set of magnets with purported analgesic properties; the Nisim New Hair Biofactors System, a purported hair-growth product; the Clarion Ionic Filter Ceiling Fan, an air-cleaning device; and the Sila Ionic Air Purifier, another air-cleaning device. The Commission's complaint charges that respondents violated the Federal Trade Commission Act, 15 U.S.C. § 41 *et seq.*, by making numerous representations that were false and/or for which they lacked a reasonable basis of substantiation. These representations concerned: the weight loss that consumers can achieve with the Hollywood Diet and Enforma; the pain relief that can be achieved with the BMI Magnetic Kit; the effectiveness of Nisim in stopping hair loss and stimulating hair growth; the ability of the air cleaners to eliminate various pollutants from indoor space; the health benefits of using the Clarion Fan; the scientific evidence for the efficacy of some of these products; the comparative efficacy of some of these products; and the experiences of consumers and celebrities who purportedly have used some of these products.

Analysis

Part I of the proposed order prohibits a representation that consumers who use the Hollywood Diet, or any substantially similar product, can lose 10 lbs. in 48 hours, unless respondents possess competent and reliable scientific evidence that substantiates the representation. In addition, Part I prohibits representations that celebrities, such as actors and actresses in popular television programs, have lost substantial weight by using the product, unless the respondents possess competent and reliable evidence that substantiates the representations.

Part II of the proposed order prohibits representations that by using Enforma, or any substantially similar product, consumers can achieve substantial weight loss, or avoid weight gain, without a restricted calorie diet or exercise, unless respondents possess competent and reliable scientific evidence that substantiates the representations.

Part III of the proposed order prohibits representations that use of the BMI Magnetic Kit, or any substantially similar product, relieves severe pain; relieves pain more effectively than other kinds of treatment; and relieves pain by enlarging blood vessels, increasing blood flow, reducing inflammation, or suppressing the body's production of pain-causing chemicals, unless respondents possess competent and reliable scientific evidence that substantiates the representations.

Part IV of the proposed order prohibits representations that Nisim, or any substantially similar product, stops hair loss in a matter of days or stimulates hair growth as effectively as prescription products, unless respondents possess competent and reliable scientific evidence that substantiates the representations.

Part V of the proposed order prohibits representations that the Clarion Ceiling Fan, or any substantially similar product, eliminates dust mites and pet dander from the user's environment, or that consumers who use the product will experience relief from allergies and other respiratory problems, unless respondents possess competent and reliable scientific evidence that substantiates the representations.

Analysis

Part VI of the proposed order prohibits representations that the Sila Air Purifier, or any substantially similar product, eliminates mold, mildew, bacteria, chemicals, and other pollutants from a user's environment, unless respondents possess competent and reliable scientific evidence that substantiates the representations.

Part VII of the proposed order prohibits unsubstantiated representations about the comparative or absolute benefits, performance, or efficacy of any product or service.

Part VIII of the proposed order prohibits misrepresentations about the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research.

Part IX of the proposed order prohibits representations that any user testimonial or endorsement of a product reflects the actual experience of the user or that the user's experience is the typical experience of members of the public using the product, unless: (1) the representation is true and substantiated by competent and reliable scientific evidence; or (2) there is a disclosure of either the generally expected results for users of the product, or that consumers should not expect to experience similar results.

Part X of the proposed order requires that respondents pay to the Federal Trade Commission the sum of \$200,000.

Part XI of the proposed order is a record keeping provision that requires the respondents to maintain certain records for three (3) years after the last date of dissemination of any representation covered by the order. These records include: (1) all advertisements and promotional materials containing the representation; (2) all materials relied upon in disseminating the representation; and (3) all evidence in respondents' possession or control that contradicts, qualifies, or calls into question the representation or the basis for it.

Part XII of the proposed order requires distribution of the order to current and future principals, officers, directors, and managers of the corporation.

Analysis

Part XIII of the proposed order requires distribution of Attachment A to the order to current and future employees, agents, and representatives having responsibilities with respect to the advertising and sale of products to the public. Attachment A is entitled “Legal Notice” and is a summary of the injunction provisions of the proposed order.

Part XIV of the proposed order requires that the Commission be notified of any change in the corporation that might affect compliance obligations under the order. Part XV of the proposed order requires that for a period of three (3) years, the individual respondent notify the Commission of the discontinuance of his current business or employment or of his affiliation with any new business or employment involving the sale of consumer products and/or services.

Part XVI of the proposed order requires the respondents to file a compliance report with the Commission.

Part XVII of the proposed order states that, absent certain circumstance, the order will terminate twenty (20) years from the date it is issued.

The purpose of this analysis is to facilitate public comment on the proposed consent order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify their terms in any way.

Complaint

IN THE MATTER OF

INTERSTATE BAKERIES CORPORATION

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

Docket C-4042; File No. 0123182
Complaint, April 16, 2002--Decision, April 16, 2002

This consent order addresses allegedly unsubstantiated representations made by Respondent Interstate Bakeries Corporation – on television and in Internet advertising – about the effects of the calcium in Wonder Bread on children’s memory and brain function. The order, among other things, prohibits the respondent from representing that – as a good source of calcium – Wonder Bread helps children’s minds work better, or helps children remember things, without possessing competent and reliable scientific evidence that substantiates the claim. The order also requires the respondent to possess competent and reliable scientific evidence for any claim that any of its breads, bread products, rolls or muffins – or any of their ingredients – helps brain function or memory, or can treat, cure or prevent any disease or related health condition. In addition, the order provides that a mere statement that a product contains a particular vitamin or mineral will not, without more, be considered for purposes of this order a representation that the product can treat, cure or prevent any disease or related health condition.

Participants

For the Commission: *Richard F. Kelly, Kial S. Young, Mary K. Engle, and Joseph P. Mulholland.*

For the Respondent: *Michael L. Sibarium, Winston & Strawn.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Interstate Bakeries Corporation, a corporation (“respondent”), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges: