

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 "device" 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.

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! 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.

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.

<u>Enforma</u>

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

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.

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

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 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, anywherebmbs tR -15 TDv e n K

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.

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

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 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.

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.

Donald S. Clark Secretary

SEAL: