UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

COMMISSIONERS:

Jon Leibowitz, Chairman Pamela Jones Harbour William E. Kovacic J. Thomas Rosch

In the Matter of)
QVC, INC.,)
a corporation.)
)

DOCKET NO. C-3955

ORDER TO SHOW CAUSE AND ORDER MODIFYING ORDER

The Commission issued a Decision and Order against QVC, Inc. ("QVC") in Docket C-3955 ("Order") on June 14, 2000. On March 24, 2004, the Department of Justice brought an action on behalf of the Commission alleging that QVC violated the Order by making unsubstantiated claims regarding certain dietary supplements. The complaint also alleged that QVC violated Sections 5(a) and 12 of the Federal Trade Commission Act, 15 U.S.C. §§ 45(a) and 52 by making unsubstantiated claims regarding Lipofactor Cellulite Target Lotion.

On March 4, 2009, Judge John P. Fullam in the Eastern District of Pennsylvania entered a consent decree resolving the 2004 action. In Part IV of the consent decree, QVC consented to reopening this docket, waived its rights under Section 3.72(b) of the Commission's Rules of Practice, 16 C.F.R. § 3.72(b), and consented to modification of the Order.

In view of the foregoing, the Commission has determined that it is in the public interest to reopen the proceeding in Docket No. C-3955 pursuant to Section 3.72(b) of the Commission's Rules of Practice, 16 C.F.R. § 3.72(b), and to modify the Order in this case, as set forth below.

IT IS ORDERED that this matter be, and it hereby is, reopened;

IT IS FURTHER ORDERED that the Order in Docket No. C-3955 be, and hereby is, modified to renumber Parts II, III, IV, V, VI, VII, VIII, and IX, as Parts III, IV, V, VI, VII, VIII, IX, and X, respectively;

IT IS FURTHER ORDERED that the Order in Docket No. C-3955 be, and hereby is, modified to add a new Part II that reads as follows:

II.

IT IS FURTHER ORDERED that respondent, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of Lipofactor or any other drug or cosmetic, as "drug" and "cosmetic" are defined in Section 15 of the Federal Trade Commission Act, in or affecting commerce, are hereby permanently enjoined from making any representation, in any manner, expressly or by implication, including, but not limited to, through the use of before-and-after depictions, or endorsements that such product:

- A. Eliminates or reduces cellulite; or
- B. Causes measurable inch loss from users' arms, thighs, abdomens, or other targeted areas of the body,

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

IT IS FURTHER ORDERED that the Order in Docket No. C-3955 be, and hereby is, modified to replace the current language in the newly designated Part X with the following:

Х.

This order, as modified on May 26, 2009, will terminate on May 26, 2029, or twenty 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; <u>provided</u>, <u>however</u>, 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.

<u>Provided, further</u>, 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.

Donald S. Clark Secretary

ISSUED: May 26, 2009 SEAL