



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

Mary Koelbel Engle
Associate Director

July 1, 2003

Via U.S. Mail

Linda A. Goldstein, Esq.
Hall Dickler Kent Goldstein & Wood, L.L.P.
909 Third Avenue
New York, N.Y. 10022-4731

Re: Thane International, File No. 022 3097

Dear Ms. Goldstein:

As you know, the staff of the Federal Trade Commission conducted an investigation into possible violations of Sections 5 and 12 of the Federal Trade Commission Act by your client, Thane International, Inc. ("Thane"), in connection with certain claims made in its advertising and promotion of the Youth Cocktail dietary supplement system. Our inquiry focused on whether Thane possessed adequate substantiation for claims concerning the cognitive benefits of the supplements. In addition, we examined whether other health claims made in the advertisement were sufficiently attributed to the entire program, which includes diet and exercise, rather than the supplements alone. Although the advertising at issue included a disclaimer regarding the need to follow the entire program, the staff was concerned that the advertising represented, expressly or by implication, that the supplements themselves provided greater health benefits than they actually do.

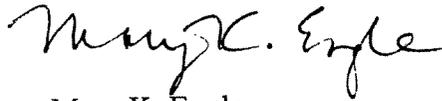
The staff discussed this matter with the company and it has agreed to modify its advertising for Youth Cocktail in accordance with the staff's suggestions. Specifically, Thane will discontinue claims regarding improved memory and clearer thinking. In addition, the disclaimer used in the infomercial – "Youth Cocktail consists of an exercise and diet plan as well as the formulas. Results achieved following the entire program" – will be enlarged and printed in a more contrasting color. The disclaimer also will be spoken during the segment of the infomercial where ordering information is given.

Accordingly, it now appears that no further action is warranted by the Commission at this time and the investigation is closed. The staff appreciates Thane's cooperation in the prompt resolution of this matter. This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such

Linda A. Goldstein, Esq.
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further action as the public interest may require.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director



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WASHINGTON, D.C. 20580

Division of Advertising Practices

Mary Koelbel Engle
Associate Director

July 28, 2003

Via U.S. Mail

Linda A. Goldstein, Esq.
Hall Dickler Kent Goldstein & Wood, L.L.P.
909 Third Avenue
New York, N.Y. 10022-4731

Re: Thane International, File No. 022 3097

Dear Ms. Goldstein:

Pursuant to your July 18, 2003 conversation with Rona Kelner, this is to clarify that the FTC staff is closing its investigation of Thane and all product advertising investigated under File No. 022 3097.

Please do not hesitate to contact us if you have any further questions.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle".

Mary K. Engle
Associate Director