

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

In the Matter of)	
)	
FORMOR, INC., a corporation,)	DOCKET NO.
also doing business as)	
ForMor International, and)	
)	
STAN GOSS,)	
individually and as an officer of)	
the corporation.)	
)	

COMPLAINT

The Federal Trade Commission, having reason to believe that ForMor, Inc., a corporation, also doing business as ForMor International, and Stan Goss, individually and as an officer of the corporation (“respondents”), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

PARAGRAPH 1: Respondent ForMor, Inc. is an Arkansas corporation with its principal office or place of business at P.O. Box 2080, Conway, Arkansas 72033.

Respondent Stan Goss is an officer of the corporate respondent. Individually or in concert with others, he formulates, directs, or controls the policies, acts, or practices of the corporation, including the acts and practices alleged in this complaint. His business address is P.O. Box 2080, Conway, Arkansas 72033.

PARAGRAPH 2: Respondents have advertised, offered for sale, sold, and distributed, among other products, St. John’s Kava Kava, a product containing St. John’s Wort; colloidal silver; and Ultimate II Shark Cartilage Concentrate. These products are “foods” and/or “drugs” within the meaning of Sections 12 and 15 of the Federal Trade Commission Act, 15 U.S.C. §§ 52 and 55.

PARAGRAPH 3: 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.

ForMor, Inc.'s St. John's Wort Product

PARAGRAPH 4: Respondents have disseminated or have caused to be disseminated advertisements for St. John's Kava Kava, including, but not limited to, the attached Exhibits A and B. Advertisements for St. John's Kava Kava have been disseminated through, among other media, websites on the Internet. ForMor, Inc.'s website, <http://www.formorintl.com/kava.html> (excerpted in Exhibit A), contains the following statement:

[St. John's Wort] has also been used for treatment of infectious diseases such as colds, syphilis, tuberculosis, dysentery, whooping cough, mania, hypochondria, fatigue, hysteria and insomnia. . . . Recently St. John's Wort has received a great deal of attention in the treatment for human immuno-deficiency virus (HIV), the virus that can cause AIDS. . . . **Displays Anti-viral Activity** [R]esearchers have reported the discovery of two substances in St. John's Wort . . . that displayed anti-viral activity against some retroviruses. Retroviruses include the human immuno-deficiency virus (HIV). **Mild to Non-existent Side Effects** Recent medical studies confirm the safety of St. John's Wort.

In addition to the above, a brochure advertisement (Exhibit B) contains the following statement:

Mild to Non-existent Side Effects: In Germany, sixty-six million daily doses of Hypericum [St. John's Wort] were taken in 1994. There were no reports of serious drug interactions or even toxicity after accidental overdose.

PARAGRAPH 5: Through the means described in Paragraph 4, respondents have represented, expressly or by implication, that ingestion of St. John's Kava Kava is effective in the treatment of HIV/AIDS, colds, syphilis, tuberculosis, dysentery, whooping cough, mania, hypochondria, fatigue, and hysteria.

PARAGRAPH 6: Through the means described in Paragraph 4, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 5 at the time the representations were made.

PARAGRAPH 7: In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 5 at the time the representations were made. Respondents did not rely on well-controlled scientific studies involving human subjects showing that ingestion of St. John's Wort is effective in the treatment of HIV/AIDS, colds, syphilis, tuberculosis, dysentery, whooping cough, mania, hypochondria, fatigue, and hysteria. Therefore, the representation set forth in Paragraph 6 was, and is, false or misleading.

PARAGRAPH 8: Through the means described in Paragraph 4, respondents have represented, expressly or by implication, that ingestion of St. John's Kava Kava is effective in the treatment of HIV/AIDS. Respondents have failed to disclose that ingestion of St. John's Wort is not compatible with use of protease inhibitors and other drugs used in the treatment of HIV/AIDS. This fact would be material to consumers in their purchase or use of the product. The failure to disclose this fact, in light of the representation made, was, and is, a deceptive practice.

PARAGRAPH 9: Through the means described in Paragraph 4, respondents have represented, expressly or by implication, that ingestion of St. John's Kava Kava has no serious drug interactions.

PARAGRAPH 10: In truth and in fact, ingestion of St. John's Wort has serious drug interactions. Ingestion of St. John's Wort may reduce the effectiveness of drugs used to treat HIV/AIDS, as well as the effectiveness of cyclosporine (a drug used to prevent organ transplant rejection), the effectiveness of anticoagulants (such as warfarin), and the effectiveness of birth control pills. Therefore, the representation set forth in Paragraph 9 was, and is, false or misleading.

ForMor, Inc.'s Colloidal Silver Product

PARAGRAPH 11: Respondents have disseminated or have caused to be disseminated advertisements for ForMor, Inc.'s colloidal silver product, including, but not limited to, the attached Exhibits C and D. Advertisements for ForMor, Inc.'s colloidal silver product have been disseminated through, among other media, websites on the Internet.

ForMor, Inc.'s website advertisement, <http://www.formorintl.com/silver.html> (excerpted in Exhibit C), contains the following statement:

[Colloidal Silver] is still considered to be the most universal antibiotic substance that is non-toxic in its micro-concentrations of 3 to 5-ppm. . . . It has been proven to be useful against over 650 different infectious conditions [It] is the only form of silver that can be used safely as a supplement. . . . The colloidal particles diffuse gradually throughout the blood and give prolonged therapeutic action. Kills over 650 Different Disease Causing Germs. . . . All harmful bacteria, fungi and virus are killed within 6 minutes of contact with silver and no disease organism can live in the presence of even minute traces of silver. . . . The following is a list of some of the pre-1938 documented uses of silver, particularly in the colloidal form, for the treatment of various conditions and pathogens: [the list includes, among other things, arthritis, blood poisoning, cancer, cholera, diphtheria, diabetes, dysentery, gonorrheal herpes, influenza, leprosy, lupus, malaria, meningitis, rheumatism, shingles, staph infections, strep infections, syphilis, tuberculosis, whooping cough, and yeast infections]. Colloidal silver was widely used

in the U.S. 60 to 70 years ago as an antibacterial [I]ts utilization grew impractical [due to the high price of silver in the 1930s].

A brochure advertisement (Exhibit D) adds:

SAFE AND EFFECTIVE Some lab tests have shown that ‘true’ Colloidal Silver has little effect on ‘friendly’ bacteria while being highly useful against infections Medical tests indicate no known adverse effects from the use of properly prepared Colloidal Silver. . . . [It] may be gargled, dropped into the eyes or ears, used vaginally, anally, atomized, or inhaled into the nose or lungs. [T]here are no side effects whatsoever from the highest concentration. . . . [footnote omitted] It also does not stain the skin, unlike certain pharmaceutical preparations of silver [footnote omitted] From extensive research and experiments with Silver in medicine, **Dr. Robert O. Brecker** . . . discovered that all cancer cells changed back to normal. Dr. Bjorn Nordstrom . . . has used silver in his cancer cure method for many years. . . . This has brought remission in patients who were given up on by other doctors.”

The brochure advertisement (Exhibit D) also includes testimonials such as:

I had a cancerous spot near my forefinger and thumb and I put a bandage with cotton soaked in silver twice a day for 2 weeks and it went completely away. I also had an eye infection which I doctored with 2 drops of the silver twice a day and the infection was gone in three days.

Ray Pantry, Oklahoma City, OK

PARAGRAPH 12: Through the means described in Paragraph 11, respondents have represented, expressly or by implication, that:

- A. Ingestion of colloidal silver is proven effective in the treatment of over 650 infectious diseases; and
- B. Medical tests prove that ingestion of colloidal silver is safe and has no adverse side effects.

PARAGRAPH 13: In truth and in fact, ingestion of colloidal silver is not proven effective in the treatment of over 650 infectious diseases, and medical tests do not prove that ingestion of colloidal silver is safe and has no adverse side effects. Therefore, the representations set forth in Paragraph 12 were, and are, false or misleading.

PARAGRAPH 14: Through the means described in Paragraph 11, respondents have represented, expressly or by implication, that:

- A. Ingestion of colloidal silver is effective in the treatment of arthritis, blood poisoning, cancer, cholera, diphtheria, diabetes, dysentery, gonorrheal herpes, influenza, leprosy, lupus, malaria, meningitis, rheumatism, shingles, staph infections, strep infections, syphilis, tuberculosis, whooping cough, and yeast infections; and
- B. A testimonial from a consumer appearing in the advertisement for ForMor, Inc.'s colloidal silver reflects the typical or ordinary experience of persons with cancer who use the product.

PARAGRAPH 15: 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 14 at the time the representations were made.

PARAGRAPH 16: In truth and in fact, respondent did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 14 at the time the representations were made. For example, respondents did not rely on well-controlled scientific studies in human subjects showing colloidal silver is effective in the treatment of arthritis, blood poisoning, cancer, cholera, diphtheria, diabetes, dysentery, gonorrheal herpes, influenza, leprosy, lupus, malaria, meningitis, rheumatism, shingles, staph infections, strep infections, syphilis, tuberculosis, whooping cough, and yeast infections, and there are no reports of such studies in the publicly available scientific literature. In addition, the FDA issued a final rule, effective September 16, 1999, finding and establishing that all OTC drug products containing colloidal silver ingredients or silver salts for internal or external use are not generally recognized as safe and effective. Therefore, the representation set forth in Paragraph 15 was, and is, false or misleading.

ForMor, Inc.'s Ultimate II Shark Cartilage Concentrate

PARAGRAPH 17: Respondents have disseminated or have caused to be disseminated advertisements for ForMor, Inc.'s Ultimate II Shark Cartilage Concentrate product, including, but not limited to, the attached Exhibits E and F. Advertisements for ForMor, Inc.'s Ultimate II Shark Cartilage Concentrate have been disseminated through, among other media, websites on the Internet.

ForMor, Inc.'s website, <http://www.formorintl.com/ultimate.html> (excerpted in Exhibit E), contains the following statement:

The Results Are In On Shark Cartilage. Dr. Freeman cites exciting scientific research on using shark cartilage supplements in the successful treatment of arthritis. These experiments . . . were overwhelmingly effective in relieving joint pain and inflammation. A dozen elderly arthritic patients with severe knee pain were treated with shark cartilage by Dr. Joseph Orcasity. . . . He reported that after four weeks of taking shark cartilage, most patients exhibited reduced pain and swelling and greater mobility. . . . Clinical Uses: The current

medical literature contains much scientific evidence that shark cartilage is a tremendously effective treatment in many degenerative and inflammatory conditions.

In addition to the above, a brochure advertisement (Exhibit F) includes several testimonials, including:

Before I started taking [Ultimate II Shark Cartilage Concentrate] . . . I had constant pain and I couldn't see, mainly out of my right eye. I had pretty bad headaches that were much like migraines. The doctors told me I had a terminal brain tumor that was big and growing. . . . Now, since I've taken the shark cartilage, everything is changing. I can see, I don't have very much pain And the doctor says the tumor is going down. . . . The doctor is very pleased and I don't have to see him for 6 months. . . .

—Cherie Brandstetter, Texas

PARAGRAPH 18: Through the means described in Paragraph 17, respondents have represented, expressly or by implication, that:

- A. Ingestion of shark cartilage is effective in the treatment of arthritis and other degenerative and inflammatory conditions;
- B. Ingestion of shark cartilage is effective in the treatment of brain cancer; and
- C. A testimonial from a consumer appearing in the advertisements for ForMor, Inc.'s Ultimate II Shark Cartilage Concentrate reflects the typical or ordinary experiences of persons with brain cancer who use the product.

PARAGRAPH 19: Through the means described in Paragraph 17, 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.

PARAGRAPH 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. Researchers generally believe that some substance in shark and bovine cartilage may inhibit blood vessel formation necessary to furnish oxygen and other nutrients to cancer cells. To date, however, all verified animal and human studies involving oral or rectal administration of shark cartilage have failed to demonstrate anti-cancer effectiveness. Similarly, the arthritis-related materials do not include well-controlled clinical studies involving the ingestion of shark cartilage by human subjects. Therefore, the representation set forth in Paragraph 19 was, and is, false or misleading.

PARAGRAPH 21: Through the means described in Paragraph 17, respondents have represented, expressly or by implication, that scientific research establishes that ingestion of shark cartilage is effective in the treatment of arthritis and other degenerative and inflammatory conditions.

PARAGRAPH 22: In truth and in fact, scientific research does not establish that ingestion of shark cartilage is effective in the treatment of arthritis and other degenerative and inflammatory conditions. Therefore, the representation set forth in Paragraph 21 was, and is, false or misleading.

PARAGRAPH 23: The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices, and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this _____ day of _____, 2001, has issued this complaint against respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: