IN THE MATTER OF

BEVERLY HILLS WEIGHT LOSS CLINICS INTERNATIONAL, INC.

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


This consent order prohibits, among other things, a commercial diet program company from misrepresenting the performance or safety of any diet program it offers in the future, and requires the respondent to possess competent and reliable scientific evidence to substantiate any future claims it makes about weight loss, weight loss maintenance, or rate of weight loss; to make a number of disclosures regarding maintenance success claims; and to disclose all mandatory fees.

Appearances

For the Commission: Gary S. Cooper, Charles La Due and Richard F. Kelly.

For the respondent: Gary Buchman, Hassman & Rachstein, Boston, MA.

COMPLAINT

The Federal Trade Commission, having reason to believe that Beverly Hills Weight Loss Clinics International, Inc., a corporation ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPHS 1. Respondent Beverly Hills Weight Loss Clinics International, Inc. ("Beverly Hills"), is a Virginia corporation, with its principal office or place of business at 200 Highpoint Avenue, Suite B-5, Portsmouth, Rhode Island.

PAR. 2. Respondent advertises, offers for sale, sells, and otherwise promotes throughout much of the eastern United States weight loss and weight maintenance services and products, and makes them available to consumers at numerous "Beverly Hills
Weight Loss Clinics” in many states. These products include “food” within the meaning of Sections 12 and 15 of the Federal Trade Commission Act. Through clinics owned by Beverly Hills, franchised by Beverly Hills, and licensed by Beverly Hills to use the Beverly Hills trademark and the Beverly Hills weight loss and weight maintenance services and products, respondent is engaged, and has been engaged, in the sale and offering for sale of low calorie diet (LCD) weight loss programs and weight maintenance programs to consumers.

PAR. 3. In the course and conduct of its business, respondent has disseminated or caused to be disseminated advertisements for weight loss and weight maintenance services and products. Respondent has placed, or has authorized the placement of, these advertisements with numerous newspapers, radio stations, and television stations for the purpose of inducing consumers to purchase its products and services. Respondent further advertises the Beverly Hills weight loss programs through the use of promotional materials, including pamphlets and brochures, given to customers and prospective customers at individual Beverly Hills Weight Loss Clinic locations.

PAR. 4. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.

PAR. 5. Respondent’s advertisements and promotional materials include, but are not necessarily limited to, the advertisements and promotional materials attached hereto as Exhibits A-X.

PAR. 6. The advertisements and promotional materials referred to in paragraph five, including but not necessarily limited to the attached Exhibits A-I, contain the following statements:

(a) RESULTS!
BEVERLY HILLS GUARANTEES THEM.
Safe, fast, effective
Guaranteed results
[Exhibit A]
(b) RESULTS
BEVERLY HILLS GUARANTEES THEM.
Lose Up To 7 Pounds And A Full Dress Size In One Week!
Weight Loss Guaranteed* for Life.
[Exhibit B]
(c) FUN
BEVERLY HILLS MAKES WEIGHT LOSS FUN
Complaint

“And I Have Only 5 Pounds to Go.”
Weight Loss Guaranteed* for Life.
[Exhibit C]

(d) It’s Real Food, Real Results!
At Beverly Hills, you eat the same food you serve your family. And you will lose 2 to 5 pounds each week. Our program helps you reach your goal weight and keep it off. Put your trust in the people who know--our clients. They’ve had proven results.
Kimberly Wiggins ... 44 ½ lbs. 57 ½ inches
[Exhibit D]

(e) Laura L. Porter... lost 24 3/4 lbs. & 28 ½"
Although this is a true story, it is not an unusual story. It is something our counselors hear everyday. Why not let us help you get a new lease on life?
LOSING WEIGHT DOESN’T MAKE SENSE UNLESS YOU KEEP IT OFF!!!
BEVERLY HILLS Weight Loss Clinics
“Where Temporary Loss Is No Success”
[Exhibit E]

(f) Beverly Hills says put your trust in the claims of people who know - our clients. They’ve had proven results. After all, aren’t they the ones you can really trust...
Steve Gaddy...100 Lbs. 68"
Beverly Kuch...46 Lbs. 41 ½"
[Exhibit F]

(g) Some weight loss companies claim to be the best, based on a comparison test that everyone seems to be refuting. Others claim they’re best, based on a newspaper reporter’s opinion.
Beverly Hills says put your trust in the claims of people who know - our clients. They’ve had proven results. After all, aren’t they the ones you can really trust?
Francis Foster Lost 33 lbs.
Kathy Cooper Lost 68 lbs.
Debbie Rogers Lost 35 lbs.
Winnie Sutton Lost 42 ½ lbs.
[Exhibit G]

(h) DREAMS DO COME TRUE
“I Lost 30 Pounds and I Feel Great.”
... Guaranteed. Lose 3-7 Pounds Per Week
[Exhibit H]

(i) REVOLUTIONARY PROGRAM SHEDS THOUSANDS OF POUNDS.
“Beverly Hills Gave Me The Willpower.”
... Guaranteed. Lose 3-7 Pounds Per Week
[Exhibit I]

PAR. 7. Through the use of the statements set forth in paragraph six, and others in advertisements and promotional
materials not specifically set forth herein, respondent represents and has represented, directly or by implication, that Beverly Hills customers typically are successful in reaching their weight loss goals under the Beverly Hills weight loss programs.

PAR. 8. Through the use of the statements set forth in paragraph six, and others not specifically set forth herein, respondent represents and has represented, directly or by implication, that at the time it made the representation set forth in paragraph seven, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 9. In truth and in fact, at the time it made the representation set forth in paragraph seven, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph eight was, and is, false and misleading.

PAR. 10. The advertisements and promotional materials referred to in paragraph five, including but not necessarily limited to the attached Exhibits J-P, contain the following statements:

(a) THE FINAL SOLUTION To Your Weight Problem
LOSE WEIGHT FOREVER....
We do not consider weight loss successful unless its permanent. There is a reason why our method works to keep weight off where others fail. Come to the nearest clinic for a consultation and let us demonstrate our famous method of easy permanent weight control.
[Exhibit J]

(b) GUARANTEED* WEIGHT LOSS FOR LIFE
... Beverly Hills guarantees weight loss forever! Not just for this year but for all the years to come....
[Exhibit K]

(c) LOSE WEIGHT QUICKLY & SAFELY
LET BEVERLY HILLS SHOW YOU THE WAY
BEVERLY HILLS Weight Loss Clinics
"Where Temporary Loss Is No Success"
[Exhibit L]

(d) 8 DRESS SIZES & GAINED BACK NOTHING BUT SELF-ESTEEM
... I'm ELATED after going from a size 12 to a 4!! The best part though is I have kept my eight off now for 15 months ...
Debbie Jones 30 Lbs.
[Exhibit M]
(e) We Have a Secret!
   The secret to slimming down and staying slim....
   It's called Guaranteed* Weight Loss For Life
   "I have stayed slim for more than 1 1/2 years!"
   30 lbs. Denise Gillispie
   [Exhibit N]

(f) Carol Telly
   Lost 22 lbs. & 25 inches three years ago. Still maintaining.
   [Exhibit O]

(g) "Since I became a Beverly Hills woman, I’ve lost 20 pounds, and I’ll
    never gain them back!" - Jackie C.
    Weight Loss Guaranteed for Life.*
    [Exhibit P]

PAR. 11. Through the use of the statements set forth in paragraph ten, and others in advertisements and promotional materials not specifically set forth herein, respondent represents and has represented, directly or by implication, that:

(a) Beverly Hills customers typically are successful in reaching their weight loss goals and maintaining their weight loss either long-term or permanently; and

(b) Beverly Hills customers typically are successful in maintaining their weight loss achieved under the Beverly Hills weight loss programs.

PAR. 12. Through the use of the statements set forth in paragraph ten, and others not specifically set forth herein, respondent represents and has represented, directly or by implication, that at the time it made the representations set forth in paragraph eleven, respondent possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 13. In truth and in fact, at the time it made the representations set forth in paragraph eleven, respondent did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representation set forth in paragraph twelve was, and is, false and misleading.
PAR. 14. The advertisements and promotional materials referred to in paragraph five, including but not necessarily limited to the attached Exhibits D, E, H, I and L, contain the following statements:

(a) And you will lose 2 to 5 pounds each week. [Exhibit D]
(b) LOSE 3-7 LBS. PER WEEK [Exhibits E and L]
(c) Guaranteed. Lose 3-7 Pounds Per Week. [Exhibits H and I]

PAR. 15. Through the use of the statements set forth in paragraph fourteen, and others in advertisements and promotional materials not specifically set forth herein, respondent represents and has represented, directly or by implication, that customers on the Beverly Hills weight loss programs typically lose weight at an average rate of two to five or three to seven pounds per week.

PAR. 16. Through the use of the statements set forth in paragraph fourteen, and others not specifically set forth herein respondent represents and has represented, directly or by implication, that at the time it made the representations set forth in paragraph fifteen, respondent possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 17. In truth and in fact, at the time it made the representations set forth in paragraph fifteen, respondent did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representation set forth in paragraph sixteen was, and is, false and misleading.

PAR. 18. In the routine course and conduct of its business, respondent states during initial sales presentations that consumers will typically reach their desired weight loss goals within the time frames computed for their programs by Beverly Hills Weight Loss Clinics' personnel.

PAR. 19. Through the use of the statements set forth in paragraph eighteen, and others not specifically set forth herein, respondent represents and has represented, directly or by implication, that at the time it made the representation set forth in paragraph
eighteen, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 20. In truth and in fact, at the time it made the representation set forth in paragraph eighteen, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph nineteen was, and is, false and misleading.

PAR. 21. The advertisements and promotional materials referred to in paragraph five, including but not necessarily limited to the attached Exhibits Q and R, contain the following statements:

(a) Only Beverly Hills Has A Totally Safe Weight Loss Program.
   Our Diet Plan Is Complete.
   We are the first major weight loss clinic to recognize the importance of adding Essential Fatty Acids as a dietary supplement. We call this wonderful product BEV-EFA. You'll call it miraculous. And only Beverly Hills offers it.
   [Exhibit Q]

(b) SCIENTIFIC ADVANCEMENT
   BEV-EFA Makes Our Weight Loss Plan Complete.
   This Beverly Hills supplement will help you prevent the problems that patients in other weight loss programs could experience. Weight loss without Essential Fatty Acids supplementation may lead to such symptoms as: hair loss, skin changes, diarrhea, as well as possible metabolic effects. There is experimental evidence from animal studies that EFA deficiency may contribute to the development of cholesterol gallstones. By adding BEV-EFA to our weight loss supplement plan, you will be protecting yourself against the negative characteristics associated with weight loss. And ONLY Beverly Hills offers this marvelous dietary supplement.
   [Exhibit R]

PAR. 22. Through the use of the statements set forth in paragraph twenty-one, and others in advertisements and promotional materials not specifically set forth herein, respondent represents and has represented, directly or by implication, that the Beverly Hills weight loss programs are safer than other weight loss programs that do not include essential fatty acid supplementation.

PAR. 23. Through the use of the statements set forth in paragraph twenty-one, and others not specifically set forth herein,
respondent represents and has represented, directly or by implication, that at the time it made the representation set forth in paragraph twenty-two, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 24. In truth and in fact, at the time it made the representation set forth in paragraph twenty-two, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph twenty-three was, and is, false and misleading.

PAR. 25. In the course and conduct of its business, respondent provides its customers with diet instructions that require said customers, inter alia, to come in to one of respondent's weight loss clinics three times a week for monitoring of their progress, including weighing in. In the course of regularly ascertaining its customers' weight loss progress, respondent, in some instances, is presented with weight loss results indicating that customers are losing weight significantly in excess of their projected goals, which is an indication that they may not be consuming all of the food prescribed by their diet instructions. Such conduct could, if not corrected promptly, result in health complications.

PAR. 26. When presented with the weight loss results described in paragraph twenty-five, respondent on many occasions has not disclosed to the customers that failing to follow the diet instructions and consume all of the food prescribed could result in health complications. This fact would be material to consumers in their purchase and use decisions regarding respondent's weight loss programs. In light of respondent's practice of monitoring people on the programs, said failure to disclose was, and is, a deceptive practice.

PAR. 27. The advertisements referred to in paragraph five, including but not necessarily limited to the attached Exhibits D, F, K, M, N, O, R, S and T, contain the following statements:

(a) Special 6 Weeks For $69
   • lab included • 6 week minimum
   [Exhibit D]
(b) Final Week!
   Limited Special
   $10.00 per week
   • Lab included
   • Eat grocery store foods
   • 6 week minimum
   [Exhibit F]
(c) 4 WEEKS ONLY $49
   [Exhibit K]
(d) 8 WEEKS ONLY
    $99 per
    Plus Pay Only $1.00 For Complete Lab Test
    [Exhibit M]
(e) Get 5 weeks of weight loss for only $59
    [Exhibit N]
(f) $10 a week
    medical fee included
    6 week minimum
    [Exhibit O]
(g) 8 WEEKS OF WEIGHT LOSS
    ONLY $99 per
    Pay only $1 for complete lab test
    (First Time Visit Bonus)
    [Exhibit R]
(h) ONE LOW PRICE $5
    Program average weekly cost
    [Exhibit S]
(i) ONE LOW PRICE!
    30 lb. Program Will Average
    $40 per week
    [Exhibit T]

PAR. 28. Through the use of the statements set forth in paragraph twenty-seven, and others in advertisements not specifically set forth herein, respondent represents and has represented, directly or by implication, that the advertised price is the only cost associated with losing weight on the Beverly Hills weight loss programs.

PAR. 29. In truth and in fact, the advertised price is not the only cost associated with losing weight on the Beverly Hills weight loss
programs. There are substantial additional mandatory expenses associated with losing weight on the Beverly Hills weight loss programs that far exceed the advertised price. Therefore, the representation set forth in paragraph twenty-eight was, and is, false and misleading.

PAR. 30. In its advertising and sale of the Beverly Hills weight loss programs, respondent has represented that the advertised price is the only cost associated with losing weight on the Beverly Hills weight loss programs. Respondent has failed to disclose adequately to consumers the existence and amount of all mandatory expenses associated with participation in the Beverly Hills programs. This fact would be material to consumers in their purchase decisions regarding the programs. The failure to disclose this fact, in light of the representation made, was, and is, a deceptive practice.

PAR. 31. The advertisements referred to in paragraph five, including but not necessarily limited to the attached Exhibits U-X, contain the following statements:

(a) 1st TIME PATIENTS ONLY
   2 WEEKS FREE
   [Exhibit U]
(b) 2 FREE WEEKS
    Call For An Appointment
    First time members only. Must be 30 lbs. or more overweight.
    [Exhibit V]
(c) FREE! FREE! FREE!
    FREE - 4 WEEK WEIGHT LOSS PROGRAM
    [Exhibit W]
(d) WANTED
    20 persons to participate in a FREE WEIGHT LOSS PROGRAM. Must need to lose 30 pounds or more. In return, you will authorize BEVERLY HILLS to use photos and testimonials for advertising purposes. Complete details available in person only....
    [Exhibit X]

PAR. 32. Through the use of the statements set forth in paragraph thirty-one, and others in advertisements not specifically set forth herein, respondent represents and has represented, directly or by
implies, that respondent’s weight loss programs are being offered to consumers at no cost.

PAR. 33. In truth and in fact, the receipt of free weight loss services is contingent upon the purchase, at substantial expense to the consumer, of other goods or services that are mandatory for participation in the Beverly Hills weight loss programs. Therefore, the representation set forth in paragraph thirty-two was, and is, false and misleading.

PAR. 34. In advertising the free offer of weight loss services under the Beverly Hills weight loss programs, respondent represents and has represented that its weight loss programs are being offered to consumers at no cost. Respondent has failed to disclose adequately to consumers that the receipt of free weight loss services is contingent upon the purchase, at substantial expense to the consumer, of other goods or services that are mandatory for participation in the Beverly Hills weight loss programs. This fact would be material to consumers in their purchase decisions regarding the programs. The failure to disclose this fact, in light of the representation made, was, and is, a deceptive practice.

PAR. 35. In providing advertisements and promotional materials referred to in paragraph five to its individual franchised or licensed clinics for the purpose of inducing consumers to purchase its weight loss and weight maintenance services and products, respondent has furnished the means and instrumentalities to those clinics to engage in the acts and practices alleged in paragraphs five through thirty-four.

PAR. 36. The acts and practices of respondent as alleged in this complaint constitute 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.

Commissioner Owen was recorded as voting in the affirmative, but dissenting as to the exception requiring full numerical disclosures involving quantitative weight loss maintenance claims in short radio and TV ads.
EXHIBIT B

RESULTS

BEVERLY HILLS GUARANTEES THEM.
Lose Up To 7 Pounds And A Full Dress Size In One Week! Weight Loss Guaranteed* for Life.

(OFFER GOES HERE)

* 4 weeks of weight loss * 6 weeks of stabilization
* 52 weeks of maintenance * Labwork & medical fees included * 1 week of nutritional supplements

Beverly Hills Weight Loss Clinics Are Medically Supervised!
Our Dietary Foods Comply With FDA Requirements!
*Program details and requirements available at each clinic
Each clinic independently owned and operated.

(CLINIC LOCATION AND PHONE NUMBER)

BEVERLY HILLS Weight Loss Clinics
You're going to love it from the very first minute.
EXHIBIT C

BEVERLY HILLS MAKES WEIGHT LOSS FUN.

"And I Have Only 5 Pounds To Go."

Weight Loss Guaranteed* for Life.

(OFFER GOES HERE)

- 4 weeks of weight loss
- 6 weeks of stabilization
- 52 weeks of maintenance
- Labwork & medical fees included
- 1 week of nutritional supplements

Beverly Hills Weight Loss Clinics Are Medically Supervised! Our Dietary Foods Comply With FDA Requirements!

*Program details and requirements available at each clinic.
Each clinic independently owned and operated.

(CLINIC LOCATION AND PHONE NUMBER)

BEVERLY HILLS Weight Loss Clinics

You're going to love it from the very first minute.
# BEVERLY HILLS WEIGHT LOSS CLINICS INTERNATIONAL

## Complaint

**EXHIBIT D**

### RECORD OF ADVERTISING

<table>
<thead>
<tr>
<th>CLINIC</th>
<th>DIRECTOR</th>
<th>WEATHER CONDITIONS</th>
<th>DATE/DAY</th>
<th>(Ad appeared in paper)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>2-16-92</td>
<td>2-16-92</td>
</tr>
</tbody>
</table>

**AT BEVERLY HILLS**

It's Real Food, Real Results!

At Beverly Hills, you eat the same food you serve your family. And you will lose 2 to 5 pounds each week. Our program helps you reach your goal weight and keep it off.

**Special**

6 Weeks $69
For

*Free included 6 week minimum*

Put your trust in the people who know our clients. They've had proven results.

349 Jonestown Rd.
Winston-Salem
659-1364

Newspaper: [Insert Newspaper Name]

Calls: [Insert Call Count]

Appointments: [Insert Appointments Count]

Shows: [Insert Shows Count]

Comments: [Insert Comments]

Exhibit D
Dr. Euble Fill

I had always been overweight. I tried "just cutting down" on my own with no success. I finally gave in when my husband was going to buy me a dress and the largest size in the store didn't fit. That's when I came to BMI. The staff gave me the support and encouragement I needed to stick with a diet. Now I know how to eat sensibly and how to cut down and lose weight or just to lose when I need to. I feel great. I am happy to try on more clothes. People compliment me on how I look and so try on several pairs of pants and have them fit a little too loose!!

Signed

ALTHOUGH THIS IS A TRUE STORY, IT IS NOT AN UNUSUAL STORY. IT IS SOMETHING OUR CLIENTS HEAR EVERYDAY. WHY NOT LET US HELP YOU GET A NEW LEASE ON LIFE!

LOSING WEIGHT DOESN'T MAKE SENSE UNLESS YOU KEEP IT OFF!!!

CELEBRATION OF SUMMER 50% OFF Weight Loss Program

PHONE TODAY

737-3511

Towne Centre
(Next to Goody's)
Elizabethtown, Ky. Weight Loss Clinics

"Where Temporary Loss Is No Success"
EXHIBIT F

L C W.S. DATE/DAY 9-22-91 +9-23 (Ad appeared in paper)

DIRECTOR Georgia WEATHER CONDITIONS

BEVERLY HILLS SAYS

Trust what our customers know!

Beverly Hills says you put trust in the claims of people who know — our clients. They've had proven results. After all, aren't they the ones you can really trust?

Final Week! Limited Special $1000 per week

BEVERLY HILLS

Weight Loss Clinics

349 Johnstown Rd.
Winston-Salem
659-1354

NEWSPAPER _______________________

CALLS ________

APPTS ________

SHOWS ________

COMMENTS: _______________________

BEVERLY HILLS

Weight Loss Clinics
EXHIBIT G
REVOLUTIONARY PROGRAM SHEDS THOUSANDS OF POUNDS.

"Beverly Hills Gave Me The Willpower."

• Revolutionary FLEX-LITE Five Phase System
• Medically Supervised & Approved
• Guaranteed, Lose 3-7 Pounds Per Week
• Private One-One Counseling & Support
• Eat Nutritiously Balanced Meals
• Lifestyle Maintenance Program

Each Clinic Independently Owned & Operated

Call Now For Details

OWN YOUR OWN FRANCHISE FOR INFORMATION 1-800-476-6996
EXHIBIT I

DREAMS DO COME TRUE

"I Lost 30 Pounds and I Feel Great."

- Revolutionary FLEX-UTE Five Phase System
- Medically Supervised & Approved
- Guaranteed. Lose 3-7 Pounds Per Week
- Private One-One Counseling & Support
- Eat Nutritionally Balanced Meals
- Lifestyle Maintenance Program

Each Clinic Independently Owned & Operated

BEVERLY HILLS
Weight Loss Clinics

Call Now For Details

OWN YOUR OWN FRANCHISE FOR INFORMATION 1-800-476-6996
Complaint

EXHIBIT J

THE FINAL SOLUTION
To Your Weight Problem

LOSE WEIGHT FOREVER—Most people with a chronic weight problem are discouraged or soon will be. The discouragement comes from the numerous attempts to control their weight only to fail. After weeks and weeks of dieting and depriving themselves of food they enjoy, the dieting stops, the weight is regained and usually even more. This is called the Yo-Yo syndrome; who can blame a person for not wanting to try one more time.

BUT THERE IS AN ANSWER—IT'S
BEVERLY HILLS WEIGHT LOSS CLINIC.

We have enjoyed success time and time again with people who had all but given up hope. The reason is simple: all programs are not alike. We do not consider weight loss a success unless it’s permanent. There is a reason why our method works to keep the weight off where others fail. Come to the Beverly Hills Weight Loss Clinic for a consultation and let us demonstrate our famous method of easy permanent weight control.

Lose Up To 7 Pounds And A Full Dress Size In Only 1 Week!

737-3511
Towne Centre (next to Goody’s)
Elizabeth Town

FREE CONSULTATION
FREE MEDICAL EXAM
FREE 4 WEEKS STABILIZATION
FREE 1 YEAR MAINTENANCE
FREE 24 HOURS A DAY 7 DAYS A WEEK

Exhibit 3
Guaranteed®

WEIGHT LOSS FOR LIFE

THIS YEAR I RESOLVE
TO MOVE TO BEVERLY HILLS.

Losing weight can be a dream come true
with Beverly Hills. How do I know?

Because many of my friends have lost
weight the Beverly Hills way and they had a blast
doing it! They've convinced me that Beverly
Hills is the only program that has really worked.

And, do you know what — Beverly Hills
**guarantees** weight loss forever! Not just for
this year but for all the
years to come. You
simply can't go wrong.

I'm joining Beverly Hills
today. You should, too!

I can't wait to become
the person I was meant
to be.

**BEVERLY HILLS**

Weight Loss Clinics

- Beezwood 898-1773
- Stafford 655-0455

"Program Details and Requirements Available
at Your Local Clinic. Each Clinic Independently Owned and Operated"

4 WEEKS ONLY $49

Stafford 859-0455
8 DRESS SIZES & GAINED BACK NOTHING BUT SELF-ESTEEM!"

"After my doctor told me to lose weight or walk with a cane in 10 years, I went straight to Beverly Hills Weight Loss Clinic! I couldn't believe it. I was losing weight without powders, pills or shots & I'm ELATED after going from a size 12 to a 4! The best part though is I have kept my weight off now for 15 months & even after all this time, I can still count on the staff at Beverly Hills for counseling & support!"

Medically Approved
Safe & Effective

Debbie Jones
30 Lbs.

737-3511
Towne Centre
(Next to Goody's)
Elizabethtown

BEVERLY HILLS
Weight Loss Clinics

8 WEEKS ONLY
$99.00

Limited Time Offer - First Time Clients Only

For Complete Info Call 737-3511
We Have a Secret!
The secret to slimming down
and staying slim....
It's called
Guaranteed* ✔
WEIGHT LOSS FOR LIFE

Get 5 weeks of
weight loss for only
$59.00
LIMITED TIME ONLY

There is no better time than NOW to start the
Beverly Hills Weight Loss Program. You get 5
weeks of weight loss for only $59.00. That's
right! And in 5 weeks you can lose up to 35
lbs. and 5 dress sizes.

LOSE WEIGHT NOW
The Safest and Most Effective
Way Available!
737-3511

TOWNE CENTRE
Elizabethtown

Denise Gatespie

Weight Loss Clinics

For the best in local Sports Coverage read The News-Enterprise
Beverly Hills Says:

Weigh Your Options
- Real Groceries
- Store Foods
- Travel, Done-Right
- Nurse on Staff
- Private Counseling
- Locally Owned

$10 a week, medical fee included, 6 week minimum

FINAL WEEK

BEVERLY HILLS Weight Loss Clinics

Call Today 659-1364

Product of weight loss, in over-head, in one weight level

6-9-92

*EVERYHILLS
Weight Loss Clinics
Look Great!

"Since I became a Beverly Hills woman, I've lost 20 pounds, and I'll never gain them back!"
- Jackie C.

Take it from Jackie C. She lost 20 pounds and she looks as great as she feels. You can be a Beverly Hills woman and look great, too.

Our clinics are medically supervised. The program is safe, fast, and our dietary foods comply with FDA requirements.

Lose from 3 to 7 pounds and a full dress size in one week.

Weight Loss Guaranteed for Life.*

Join today and enjoy these great benefits:

- 4 weeks of weight loss
- 6 weeks of stabilization
- 52 weeks of maintenance
- Labwork & medical fees included
- 1 week of nutritional supplements

*Call for Details and Requirements. Limited to patients at Los Angeles Clinic.
*Each clinic independently owned and operated.

You're going to love it from the very first minute.
Only Beverly Hills
Has A Totally Safe
Weight Loss Program.

Our Diet Plan is Complete.

We are the first major weight loss clinic to recognize the importance of adding Essential Fatty Acids as a dietary supplement. We call this wonderful product BEV-EFA. You'll call it miraculous. And only Beverly Hills offers it.

Our weight loss plan is medically supervised, and you can lose 2 to 5 pounds per week. There are no shots, and you eat regular, nutritionally balanced meals.

So join the weight loss program that's the best.

Call for this week's special
Towne Centre Elizabethtown
737-3511

Beverly Hills Weight Loss Clinic
You're going to love it from the first minute.

Nov. 16, 1990
BEVERLY HILLS WEIGHT LOSS CLINICS INTERNATIONAL

Complaint

EXHIBIT R

SCIENTIFIC ADVANCEMENT

BEV-EFA

Makes Our Weight Loss Plan Complete

Beverly Hills is the first major weight loss clinic to recognize the importance of adding Essential Fatty Acids as a dietary supplement. We call it BEV-EFA. You'll call it miraculous.

EFA - Essential Fatty Acids supplementation is now a feature of our weight loss program. It, along with the entire Beverly Hills program, use of BEV-EFA will be under our medical supervision. This Beverly Hills supplement will help you prevent the problems that patients in other weight loss programs could experience.

Why you need BEV-EFA.

- There is scientific and medical evidence that most reduced calorie diets do not contain adequate amounts of EFA. And

COUPON

8 WEEKS OF WEIGHT LOSS $99.00
ONLY plus
Pay only $1 for complete-lab test
(First Time Visit Bonus)

Once again Beverly Hills Weight Loss Clinic is the LEADER in the weight loss industry.

CALL Today

BEVERLY HILLS
WEIGHT LOSS CLINICS
117 ARDTUFTOWN
BARSTOWN

737-3511 348-1797
WEEK OF FEBRUARY 24, 1992
The News Enterprise

---

ONE LOW PRICE
Program average $5.04 weekly cost

CALL NOW!
737-3511

BEVERLY HILLS
Weight Loss Clinics
CLINIC ____________________ DATE/DAY ____________________
DIRECTOR ____________________ WEATHER CONDITIONS _______

EXHIBIT T

NEWSPAPER ____________ 6-28-92

CALLS _______
APPTS _______
SHOWS _______

COMMENTS: ____________________

BEVERLY HILLS WEIGHT LOSS CLINICS INTERNATIONAL

BEVERLY HILLS
Weight Loss Clinics
LOSING WEIGHT IS MORE THAN JUST A MATTER OF WILLPOWER

Many of our staff are former patients. They reflect the extra measure of care and understanding which comes only from first-hand knowledge. At Beverly Hills we believe this can and does make all the difference.

- MUSCELLEN SUPPLED
- ONE 2-7 LB PER WEEK
- NO PILLS
- NO SHOTS
- NUTRITIONALY BALANCED MEALS
- NO EXERCISE

CALL 000-0000
FREE
2 WEEKS

BEVERLY HILLS
Weight Loss Clinics
"Where Temporary Loss Is the Success"
Start losing weight now at Beverly Hills, and you'll be sitting pretty down the road. Just head for The Hills — Beverly Hills — for a free consultation and complete details. Or, you can sit this one out.

COUPON
2 FREE WEEKS
Call For An Appointment
First time members only. Must be 30 lbs. or more overweight.

COUPON
The Works
One Low Price

EXPRESS W/ COUPON
EXPRESS W/ COUPON

ELIZABETH TOWN
Towne Center Mall
(Next to Goody's)

737-3511

$199.00

FREE lab.
PRESENT THIS COUPON AND RECEIVE

* FREE CONSULTATION
* FREE 4 WEEK WEIGHT LOSS PROGRAM

Lose 3-7 pounds per week with our medically supervised program
- Eat regular foods
- No shots
- No pills

GOOD AT STAFFORD LOCATION ONLY
CALL TODAY
703-659-0455

Lab fees and nutritional supplements not included in this offer.

EXPIRES JANUARY 10, 1990
EXHIBIT X

WANTED
20 persons to participate in a FREE WEIGHT LOSS PROGRAM. Must need to lose 30 pounds or more. In return, you will authorize BEVERLY HILLS to use photos and testimonials for advertising purposes.
Complete details available in person only at BEVERLY HILLS WEIGHT LOSS CLINIC
Kroger Shopping Center
Scottsville Road
Call for Appointment 842-4095
DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft complaint which the Boston Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act,

The respondent, its attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and determined that it had reason to believe that the respondent has violated the Act, and that 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 sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby makes the following jurisdictional findings and enters the following order:

1. Respondent Beverly Hills Weight Loss Clinics International, Inc. ("Beverly Hills"), is a Virginia corporation, with its office and principal place of business located at 200 Highpoint Avenue, Suite B-5, Portsmouth, Rhode Island.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent and the proceeding is in the public interest.
ORDER

DEFINITIONS

For the purposes of this order, the following definitions shall apply:

A. "Competent and reliable scientific evidence" shall mean those tests, analyses, research, studies, or other evidence conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the relevant profession or science to yield accurate and reliable results;

B. "Weight loss program" shall mean any program designed to aid consumers in weight loss or weight maintenance;

C. A "broadcast medium" shall mean any radio or television broadcast, cablecast, home video or theatrical release;

D. For any order-required disclosure in a print medium to be made "clearly and prominently" or in a "clear and prominent" manner, it must be given both in the same type style and in: (1) twelve point type where the representation that triggers the disclosure is given in twelve point or larger type; or (2) the same type size as the representation that triggers the disclosure where that representation is given in a type size that is smaller than twelve point type. For any order-required disclosure given orally in a broadcast medium to be made "clearly and prominently" or in a "clear and prominent" manner, the disclosure must be given at the same volume and in the same cadence as the representation that triggers the disclosure.

E. A "short broadcast advertisement" shall mean any advertisement of thirty seconds or less duration made in a broadcast medium.

I.

It is ordered, That respondent, Beverly Hills Weight Loss Clinics International, Inc., a corporation, its successors and assigns, and its officers, and respondent's agents, representatives and employees, directly or through any corporation, subsidiary, division or other
device, including franchisees or licensees, in connection with the advertising, promotion, offering for sale, or sale of any weight loss program in or affecting commerce, as “commerce” is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Making any representation, directly or by implication, about the success of participants on any weight loss program in achieving or maintaining weight loss or weight control unless, at the time of making any such representation, respondent possesses and relies upon competent and reliable scientific evidence substantiating the representation, provided, further, that for any representation that:

(1) Any weight loss achieved or maintained through the weight loss program is typical or representative of all or any subset of participants using the program, said evidence shall, at a minimum, be based on a representative sample of:

(a) All participants who have entered the program, where the representation relates to such persons; provided, however, that the required sample may exclude those participants who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or
(b) All participants who have completed a particular phase of the program or the entire program, where the representation only relates to such persons;

(2) Any weight loss is maintained long-term, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of at least two years from their completion of the active maintenance phase of respondent’s program or earlier termination, as applicable; and
(3) Any weight loss is maintained permanently, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of time after completing the program that is either:
(a) Generally recognized by experts in the field of treating obesity as being of sufficient length for predicting that weight loss will be permanent, or

(b) Demonstrated by competent and reliable survey evidence as being of sufficient duration to permit such a prediction.

B. Representing, directly or by implication, except through endorsements or testimonials referred to in paragraph I.E. herein, that participants of any weight loss program have successfully maintained weight loss, unless respondent discloses, clearly and prominently, and in close proximity to such representation, the statement: “For many dieters, weight loss is temporary.”; provided, further, that respondent shall not represent, directly or by implication, that the above-quoted statement does not apply to dieters in respondent’s weight loss program; provided, however, that a mere statement about the existence, design, or content of a maintenance program shall not, without more, be considered a representation that participants of any weight loss program have successfully maintained weight loss.

C. Representing, directly or by implication, except through short broadcast advertisements referred to in paragraph I.D. herein, and except through endorsements or testimonials referred to in paragraph I.E. herein, that participants of any weight loss program have successfully maintained weight loss, unless respondent discloses, clearly and prominently, and in close proximity to such representation, the following information:

(1) The average percentage of weight loss maintained by those participants;

(2) The duration over which the weight loss was maintained, measured from the date that participants ended the active weight loss phase of the program, provided, further, that if any portion of the time period covered includes participation in a maintenance program(s) that follows active weight loss, such fact must also be disclosed; and

(3) If the participant population referred to is not representative of the general participant population for respondent’s programs:

(a) The proportion of the total participant population in respondent’s programs that those participants represent, expressed in terms of a percentage or actual numbers of participants, or
(b) The statement: “Beverly Hills makes no claim that this [these] result[s] is [are] representative of all participants in the Beverly Hills program.”;

provided, further, that compliance with the obligations of this paragraph I.C. in no way relieves respondent of the requirement under paragraph I.A. of this order to substantiate any representation about the success of participants on any weight loss program in maintaining weight loss.

D. Representing, directly or by implication, in short broadcast advertisements, that participants of any weight loss program have successfully maintained weight loss, unless respondent:

(1) Includes, clearly and prominently, and in immediate conjunction with such representation, the statement: “Check at our clinics for details about our maintenance record.”;

(2) For a period of time beginning with the date of the first broadcast of any such advertisement and ending no sooner than thirty days after the last broadcast of such advertisement, complies with the following procedures upon the first presentation of any form asking for information from a potential client, but in any event before such person has entered into any agreement with respondent:

(a) Give to each potential client a separate document entitled “Maintenance Information,” which shall include all the information required by paragraph I.B. and subparagraphs I.C.(1)-(3) of this order and shall be formatted in the exact type size and style as the example form below, and shall include the heading (Helvetica 14 pt. bold), lead-in (Times Roman 12 pt.), disclosures (Helvetica 14 pt. bold), acknowledgment language (Times Roman 12 pt.) and signature block therein; provided, further, that no information in addition to that required to be included in the document required by this subparagraph I.D.(2) shall be included therein:
MAINTENANCE INFORMATION

You may have seen our recent ad about maintenance success. Here’s some additional information about our maintenance record.

[Disclosure of maintenance statistics goes here]

For many dieters, weight loss is temporary.

I have read this notice. ________________________________

(Client Signature) (Date)

(b) Require each potential client to sign such document; and
(c) Give each client a copy of such document; and

provided, however, that if any potential participant who does not then participate in the program refuses to sign or accept a copy of such document, respondent shall so indicate on such document and shall not, for that reason alone, be found in breach of this subparagraph I.D.(2); and

(3) Retain in each client file a copy of the signed maintenance notice required by this paragraph; provided, further, that:

(i) Compliance with the obligations of this paragraph I.D. in no way relieves respondent of the requirement under paragraph I.A. of this order to substantiate any representation about the success of participants on any weight loss program in maintaining weight loss; and

(ii) Respondent must comply with both paragraph I.D. and paragraph I.C. of this order if respondent includes in any such short broadcast advertisement a representation about maintenance success that states a number or percentage, or uses descriptive terms that convey a quantitative measure such as “most of our customers maintain their weight loss long-term”; and

provided, however, that the provisions of paragraph I.D. shall not apply to endorsements or testimonials referred to in paragraph I.E. herein.

E. Using any advertisement containing an endorsement or testimonial about weight loss success or weight loss maintenance success by a participant or participants of respondent’s weight loss programs
if the weight loss success or weight loss maintenance success depicted in the advertisement is not representative of what participants in respondent’s weight loss programs generally achieve, unless respondent discloses, clearly and prominently, and in close proximity to the endorser’s statement of his or her weight loss success or weight loss maintenance success:

(1) What the generally expected success would be for Beverly Hills customers in losing weight or maintaining achieved weight loss; provided, however, that in determining the generally expected success for Beverly Hills customers respondent may exclude those customers who dropped out of the program within two weeks of their entrance or who were unable to complete the program due to illness, pregnancy, or change of residence; or

(2) One of the following statements:

(a) “You should not expect to experience these results.”
(b) “This result is not typical. You may not do as well.”
(c) “This result is not typical. You may be less successful.”
(d) “_______’s success is not typical. You may not do as well.”
(e) “_______’s experience is not typical. You may achieve less.”
(f) “Results not typical.”
(g) “Results not typical of program participants.”;

provided, further, that if the endorsements or testimonials covered by this paragraph are made in a broadcast medium, any disclosure required by this paragraph must be communicated in a clear and prominent manner and in immediate conjunction with the representation that triggers the disclosure; and

provided, however, that:

(i) For endorsements or testimonials about weight loss success, respondent can satisfy the requirements of subparagraph I.E.(l) by accurately disclosing the generally expected success in the following phrase: “Beverly Hills clients lose an average of ___ pounds over an average ____-week treatment period”; and

(ii) If the weight loss success or weight loss maintenance success depicted in the advertisement is representative of what participants of a group or subset clearly defined in the advertisement generally
achieve, then, in lieu of the disclosures required in either subpara-
graph I.E.(1) or (2) herein, respondent may substitute a clear and
prominent disclosure of the percentage of all of respondent's
customers that the group or subset defined in the advertisement
represents.

F. Representing, directly or by implication, that the price at
which any weight loss program can be purchased is the only cost
associated with losing weight on that program, unless such is the
case.

G. Representing, directly or by implication, the price at which
any weight loss program can be purchased, unless respondent
discloses, clearly and prominently, either:

(1) In close proximity to such representation, the existence and
amount of all mandatory costs or fees associated with the program
offered; or

(2) In immediate conjunction with such representation, one of the
following statements:

(a) “Plus the cost of [list of products or services that participants
must purchase at additional cost].”

(b) “Purchase of [list of products or services that participants
must purchase at additional cost] required.”;

provided, further, that in broadcast media, if the representation that
triggers any disclosure required by this paragraph is oral, the required
disclosure must also be made orally.

H. Representing, directly or by implication, that any weight loss
program or service can be obtained for free, unless respondent
discloses, clearly and prominently, either (1) in close proximity to
such representation, the existence and amount of all mandatory fees
associated with the free offer; or (2) in immediate conjunction with
such representation, the following statement: “You must pay for [list
of products or services that participants must purchase at additional
cost] to take advantage of this free offer.”; provided, further, that in
broadcast media, if the representation that triggers the disclosure is
oral, the disclosures required by either (1) or (2) of this paragraph
must also be made orally.
I. Failing to disclose over the telephone, for a period of time beginning with the date of any advertisement of the price at which any weight loss program can be purchased and ending no sooner that 180 days after the last dissemination of any such advertisement, to consumers who inquire about the cost of any weight loss program, or are told about the cost of any weight loss program, the existence and amount of any mandatory costs or fees associated with participation in the program; provided, however, that respondent may satisfy this requirement by directing its weight loss centers to disclose the information, by providing the center personnel with suggested language to be used when responding to telephone inquiries and by making its best efforts to ensure compliance with its directive to disclose price information over the telephone.

J. Representing, directly or by implication, the average or typical rate or speed at which participants or prospective participants in any weight loss program have lost or will lose weight, unless at the time of making such representation, respondent possesses and relies upon competent and reliable scientific evidence substantiating the representation.

K. Representing, directly or by implication, that participants or prospective participants in respondent's weight loss programs have reached or will reach a specified weight within a specified time period, unless at the time of making such representation, respondent possesses and relies upon competent and reliable scientific evidence substantiating the representation.

L. Making comparisons between the efficacy of respondent's weight loss program(s) and the efficacy of any other weight loss and/or diet program(s), unless at the time of making such representation, respondent possesses and relies upon a competent and reliable scientific study or survey substantiating the representation.

M. Making comparisons between the safety of respondent's weight loss program(s) and the safety of any other weight loss and/or diet program(s), unless at the time of making such representation, respondent possesses and relies upon competent and reliable scientific evidence substantiating the representation.

N. Failing to disclose, clearly and prominently, either (1) to each participant who, after the first two weeks on the program, is experiencing average weekly weight loss that exceeds two percent (2%) of said participant's initial body weight, or three pounds, whichever is less, for at least two consecutive weeks, or (2) in writing
to all participants, when they enter the program, that failure to follow the diet instructions and consume the total caloric intake recommended may involve the risk of developing serious health complications.

O. Misrepresenting, directly or by implication, the existence, contents, validity, results, conclusions, or interpretations of any test or study.

P. Misrepresenting, directly or by implication, the performance, efficacy, or safety of any weight loss program or weight loss product.

II.

It is further ordered, That respondent shall notify the Commission at least thirty (30) days prior to the effective date of any proposed change in the corporate respondent such as dissolution, assignment, or sale resulting in the emergence of a successor corporations, the creation or dissolution of subsidiaries, or any other change in the corporation that may affect compliance obligations arising out of this order.

III.

It is further ordered, That for three (3) years after the last date of dissemination of any representation covered by this order, respondent, or its successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations or other evidence in its possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

IV.

It is further ordered, That respondent shall distribute a copy of this order to each of its officers, agents, representatives, independent contractors and employees, who is involved in the preparation and
placement of advertisements or promotional materials or in communication with customers or prospective customers or who have any responsibilities with respect to the subject matter of this order; and, for a period of five (5) years from the date of entry of this order, distribute same to all future such officers, agents, representatives, independent contractors and employees.

V.

It is further ordered, That:

A. Respondent shall distribute a copy of this order to each of its franchisees and licensees and shall contractually bind them to comply with the prohibitions and affirmative requirements of this order; respondent may satisfy this contractual requirement by incorporating such order requirements into its current Operations Manual; and

B. Respondent shall further make reasonable efforts to monitor its franchisees’ and licensees’ compliance with the order provisions; respondent may satisfy this requirement by: (1) taking reasonable steps to notify promptly any franchisee or licensee that respondent determines is failing materially or repeatedly to comply with any order provision; (2) providing the Federal Trade Commission with the name and address of the franchisee or licensee and the nature of the noncompliance if the franchisee or licensee fails to comply promptly with the relevant order provision after being so notified; and (3) in cases where that franchisee’s or licensee’s conduct constitutes a material or repeated violation of the order, diligently pursuing reasonable and appropriate remedies available under its franchise or license agreement and applicable state law to bring about a cessation of that conduct by the franchisee or licensee.

VI.

It is further ordered, That respondent shall, within sixty (60) days after the date of service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this order.
Complain!

IN THE MATTER OF

DOCTORS MEDICAL WEIGHT LOSS CENTERS, INC., ET AL.

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


This consent order prohibits, among other things, the Florida commercial diet program companies and their officer from misrepresenting the performance or safety of any diet program they offer in the future, and requires the respondents to possess competent and reliable scientific evidence to substantiate any future claims they make about weight loss, weight loss maintenance, or rate of weight loss; to make a number of disclosures regarding maintenance success claims; and to disclose all mandatory fees.

Appearances

For the Commission: Eric Bash, Matthew Daynard and Richard F. Kelly.

For the respondents: Gabriel Imperato, Broad & Cassell, Fort Lauderdale, FL.

COMPLAINT

The Federal Trade Commission, having reason to believe that Doctors Medical Weight Loss Centers, Inc. ("DMWLC"), Doctors Weight Loss Centers, Inc. ("DWLC"), and Joyce A. Schuman, individually and as an officer of said corporations (hereinafter, collectively, "respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. (a) Respondents DMWLC and DWLC are Florida corporations, formerly doing business, with their principal offices and places of business located at 5479 A North Federal Highway, Fort Lauderdale, Florida.

(b) Respondent Joyce A. Schuman is an officer of the corporate respondents. Individually or in concert with others, she formulates, directs, and controls the acts or practices of the corporate
respondents, including the acts or practices alleged in this complaint. Her principal residence is located at 2730 Sea Island Drive, Fort Lauderdale, Florida.

(c) Respondents have cooperated and acted together in carrying out the acts and practices alleged in this complaint.

PAR. 2. Respondents have advertised or otherwise promoted, offered for sale, and sold, weight reduction and weight control programs and products, and have made them available to consumers at their weight loss centers. Respondents have offered for sale and sold diet programs of 800 to 1500 calories per day, that include food, as “food” is defined in Section 15 of the Federal Trade Commission Act.

PAR. 3. In the course and conduct of their business, respondents have disseminated or have caused to be disseminated advertisements for weight reduction and weight control programs and products. Respondents have placed these advertisements with various media for the purpose of inducing consumers to purchase their programs and products. Respondents have further advertised their weight loss programs through the use of promotional materials, including pamphlets and brochures, given to customers and prospective customers at individual weight loss center locations.

PAR. 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.

PAR. 5. Respondents’ advertisements and promotional materials include, but are not necessarily limited to, the advertisements and promotional materials attached hereto as Exhibits A-O.

PAR. 6. The advertisements and promotional materials referred to in paragraph five, attached hereto as Exhibits A-J, contain the following statements:

(a) “Permanent Weight Loss” (Exhibit A)
(b) “Lose 3-8 pounds per week, safely, economically, and permanently with professional supervision.” (Exhibit B)
(c) “WHAT MAKES A WEIGHT LOSS PROGRAM GREAT? ... Results should be long lasting & offer a lifetime solution to a weight problem ... GUESS WHAT! ... We just described the DOCTORS WEIGHT LOSS PROGRAM.” (Exhibits C-E)
(d) “Doctors Weight Loss Advantage You Keep The Weight Off” (Exhibit F)
(e) “The best way to lose weight and keep it off” (Exhibit G)
(f) “TAKE IT OFF ... AND KEEP IT OFF!” (Exhibit H)
(g) "WHAT MAKES OUR PROGRAM THE BEST? ... LONG-LASTING RESULTS ... '3 years later and I'm still slim, trim, healthy. It's no problem staying a size 5 ....'" (Exhibit I)
(h) "I reached my goal and lost 30 lbs. in just 10 weeks." (Exhibit J)

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph six, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that:

(a) DMWLC/DWLC customers typically are successful in reaching their weight loss goals and maintaining their weight loss either long-term or permanently;
(b) DMWLC/DWLC customers typically are successful in maintaining their weight loss achieved under the DMWLC/DWLC diet program; and
(c) DMWLC/DWLC customers typically are successful in reaching their weight loss goals.

PAR. 8. Through the use of the statements contained in the advertisements referred to in paragraph six, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraph seven, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 9. In truth and in fact, at the time respondents made the representations set forth in paragraph seven, they did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, respondents, representation as set forth in paragraph eight was and is false and misleading.

PAR. 10. The advertisements referred to in paragraph five, attached hereto as Exhibits A, C, D-F, and J-N contain the following statements:

(a) "$11 PER WEEK" (Exhibits A, F, J, L-N)
(b) "$15 PER WEEK" (Exhibit C)
(c) "$8 PER WEEK" (Exhibits D and E)
(d) "$9 PER WEEK" (Exhibit K)
PAR. 11. Through the use of the statements contained in the advertisements referred to in paragraph ten, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that the advertised price is the only cost associated with losing weight on the DMWLC/DWLC weight loss program.

PAR. 12. In truth and in fact, the advertised price is not the only cost associated with losing weight on the DMWLC/DWLC weight loss program. There are substantial, additional mandatory expenses associated with participation in the DMWLC/DWLC weight loss program. Therefore, respondents, representation as set forth in paragraph eleven was and is false and misleading.

PAR. 13. In advertising the price of the DMWLC/DWLC weight loss program, respondents have failed to disclose to consumers the existence and amount of all mandatory expenses associated with participation in the DMWLC/DWLC weight loss program. This fact would be material to consumers in their purchase or use decisions regarding the weight loss program. In light of respondents' representation as set forth in paragraph eleven that the quoted price represents the only cost associated with the DMWLC/DWLC weight loss program, said failure to disclose was and is a deceptive practice.

PAR. 14. The advertisements referred to in paragraph five, attached hereto as Exhibits B, L, M, and N, contain the following statements:

(a) "Lose 3-8 pounds per week, safely, economically, and permanently with professional supervision." (Exhibit B)
(b) "START TODAY BE 30 LBS. LIGHTER IN 30 DAYS!" (Exhibit L)
(c) "LOSE 3 TO 7 LBS. A Week" (Exhibit M)
(d) "LOSE 3-6 LBS. A WEEK" (Exhibit N)

PAR. 15. Through the use of the statements contained in the advertisements referred to in paragraph fourteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that consumers following the DMWLC/DWLC weight loss program typically lose weight at an average rate of:

(a) Thirty pounds in thirty days; and
(b) Three to eight pounds per week.
PAR. 16. The advertisements referred to in paragraph five, attached hereto as Exhibits C-E and N contain the following statements:

(a) "LOSE UP TO 7 LBS PER WEEK" (Exhibits C, D)
(b) "LOSE UP TO 6 LBS. PER WEEK" (Exhibit E)
(c) "Up to 6 lbs. per week weight loss" (Exhibit N)

PAR. 17. Through the use of the statements contained in the advertisements referred to in paragraph sixteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that an appreciable number of consumers following the DMWLC/DWLC weight loss program typically lose weight at an average rate of six to seven pounds per week.

PAR. 18. Through the use of the statements contained in the advertisements referred to in paragraphs fourteen and sixteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraphs fifteen and seventeen, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 19. In truth and in fact, at the time respondents made the representations set forth in paragraphs fifteen and seventeen, they did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, respondents’ representation as set forth in paragraph eighteen was and is false and misleading.

PAR. 20. In the routine course and conduct of their business, respondents have provided their customers with diet protocols that required said customers, inter alia, to come in to one of respondents’ weight loss centers three to six times a week for monitoring of their progress, including weighing in. In the course of regularly ascertaining weight loss progress, respondents, in some instances, have been presented with weight loss results indicating that customers have been losing weight significantly in excess of their projected goals, which is an indication that they may not have been consuming all of the food prescribed by their diet protocol. Such conduct could, if not corrected promptly, result in health complications.

PAR. 21. When presented with the weight loss results described in paragraph twenty, respondents, on many occasions, have not
disclosed to the customers that failing to follow the diet protocol and consume all of the calories prescribed could result in health complications. This fact would be material to customers in their purchase or use decisions regarding the weight loss program. In light of respondents' practice of monitoring customers, said failure to disclose was and is a deceptive practice.

PAR. 22. The acts and practices of respondents as alleged in this complaint constitute 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.

Commissioner Owen was recorded as voting in the affirmative, but dissenting as to the exception requiring full numerical disclosures involving quantitative weight loss maintenance claims in short radio and TV ads.
"FOR THE FIRST TIME EVER! I WEAR A SIZE 8 AFTER LOSING 56 LBS."

"And my doctor is amazed! At last I'm off all blood pressure medication and my cholesterol improved. I spent enormous amounts of money on every other weight loss program but to no avail. At D.Q.W.L. I learned how to eat right, lose weight and keep it off. Everyone comments on the New me!"

Lila Nikla
Homestead
Fast! Safe!
Permanent Weight Loss

Permanent Weight Loss Tapes
Now Available. Open To The Public.
CALL TO SEE HOW EASY IT IS!

DOCTORS MEDICAL WEIGHT LOSS CENTERS

DADE
- Kendall ........................................ 271-8110
- Westchister/ Tamiami .................. 351-1121
- Cutler Ridge ................................. 255-0008
- North Miami Beach ....................... 533-5227
- Hallandale ................................... 557-4993
- Brickell ..................................... 372-0057
- Aventura .................................... 535-2096
- Homestead .................................. 243-4227

BROWARD
- Weston/Pembroke Pines 432-9247
- Pompano/Deerfield .......................... 426-9773
- Ft. Lauderdale ............................... 263-4669
- Coral Springs ............................... 753-5000
- Plantation ................................... 749-0996
- Hollywood .................................. 961-5033

PALM BEACH
- Boca Raton .................................. 479-4446
- Delray/Boca .................................. 272-5454
- North Palm Beach ........................... 863-5337
- West Palm Beach ............................ 478-1446
- Lake Worth ................................... 569-2221
- Stuart ......................................... 276-0669

**Weekdays 8 AM-8 PM — Sat, Till 1 PM**

**Weight Loss Varies With The Individual**

*Careers Medical Field/Supervisors, New Owner only

**MABER CREDIT CARDS ACCEPTED**
EXHIBIT B

Small Business Owners
UNLOCK YOUR BUSINESS POTENTIAL!!
With over 20 years experience operating & managing small businesses, I am available on a Full/Part Time basis to assist you in the following areas:
- Accounting  
- Scheduling  
- Marketing  
- Solving  
- Managing  
- Controlling  
- Problems  
- Purchasing  
- Inventory  
- Planning  
- Training

Invest in a call to Dan at TMCS, Inc., 782-4698, to discuss unlocking your business potential.

DO YOU KNOW...
Being Overweight is Hazardous To Your... WEALTH?

You know that being overweight hurts your health. Did you know it hurts your wealth as well? Heavy people are hired less, fired more, paid less, and promoted less - all because of stereotypes and ignorance.

With today's economy, you can't afford to look your best. Lose 3-8 pounds per week, safely, economically, and permanently with professional supervision. Don't let an expanding waistline cut into your bottom line!

Call now for free consultation

DOCTORS' WEIGHT LOSS CENTERS

Los Angeles: 310-4699  
San Francisco: 415-9775

Palm Beach: 561-5001  
Chicago: 773-5000

Parsippany: 973-6999  
Washington: 412-9347

Boca Raton: 479-4446  
Dallas/Ft. Worth: 214-3534

For other locations, call 1-800-940-5LIM

6% DISCOUNT
On All Travel including
Amtrak - SR. Citizen Coupon Booklets
Cruises - Tours - Hotels Etc.

Not applicable to airline tickets - and special promotional offers

Investor convert to bonds
Federal Reserve e interest rates to 5

Steadily sliding interest rates, cut another point to 5 1/2 percent week by the Federal Reserve, have prompted income-oriented small investors to shift billions of dollars from low-yielding money-market fund mutuals paying 4 percent or more, according to Federal Reserve data gathered for Money magazine's Small Investor Index.

Since mid-December, the Federal Reserve has cut the discount rate — which it charges on money to banks — three times. Over that period, money funds have seen their yields drop from an average of 7.4 percent to 5.9 percent. Most analysts expect yields to reach another half-point during the next six weeks.

While some of the cash out of money funds has gone into stocks, income-oriented small investors have rushed into new bond funds that still pay 8 percent or more. In March, for instance, Investment Company Institute reports that investors redeemed $773 million from money funds and added a net $4.4 billion to bond funds.
WHAT MAKES A WEIGHT LOSS PROGRAM GREAT?*

"I LOST 43 LBS. IN JUST 15 WEEKS"

"I needed HELP! I couldn't do it on my own. It was easy to follow and I wasn't hungry. The nice part was I could eat regular food & still lose!"

JEAN HALL

LOSE UP TO 7 LBS PER WEEK

LAST CHANCE FINAL DAYS $15 PER WEEK*

EXP. 9/22/90

New Programs Only

DOCTORS MEDICAL WEIGHT LOSS CENTERS, INC., ET AL.

Complaint

EXHIBIT C
OVERWEIGHT MEN, WOMEN AND TEENS
LOST 82 LBS.
...IT WAS EASY.
ONLY $8 PER WEEK.

DOCTORS WEIGHT LOSS CENTER

WHAT MAKES A PROGRAM GREAT?
GUES WHAT?
WEIGHTS YOU WILL...
LOSE UP TO 25 LBS.

EXHIBIT D
DOCTORS MEDICAL WEIGHT LOSS CENTERS, INC., ET AL.  269

259

Complaint

EXHIBIT E

is aren't

The acoustics: "The acoustics are good, the production is fabulous, the theater is fabulous. It's just that it's freezing and there are no bathrooms." — Maxine Adler of Palm Beach.

The bathrooms: "Awful. They should have one or two extra ones in here. We've been in this line for a long time and we're not even moving." — Sylvia Feiner of Boca Raton.

(Theater designers had vowed that there would be enough restrooms and that there would be little or no waiting time.)

Getting to the theater and parking: "It was no problem," said Valentina Sore, who is here on vacation from Caracas, Venezuela.

So, Mayquete and supporters went after money from sources that did not hinge on public approval. They persuaded state, county, city, and downtown officials to kick in $77 million cash, plus $5 million worth of land. The rest of the money is coming from private donations and a $6 million loan.

Even so, the arts center stands $5 million in the red, thanks to overspends and a $12 million shortage in fund-raising.

Staff Writer Tao Woole contributed to this report.

AL WINTER CLEARANCE
through Sunday, March 3rd

Exhibit E
NOW AVAILABLE" CHOOSE YOUR OWN WEIGHT LOSS PROGRAM

THRED OF BUYING EXPENSIVE DIET FOOD AT JENNY CRAIG & NUTRI SYSTEM?

PROGRAM #1
- No special Food To Buy - Eat Real Restaurant & Supermarket food - One On One Personal Supervision Throughout

PROGRAM #2
For Your Convenience Doctors Weight loss Approved Delicious Fresh Frozen Meals Are Now Available At Low, Low Supermarket Prices So Why Buy, Expensive diet Meals At Other Weight Loss Centers?

DOCTORS WEIGHT LOSS CENTERS

MAJOR CREDIT. OPEN EVENINGS & SATURDAY
CARDS ACCEPTED TOLL-FREE 1-800-840-SLIM

The FLYER, (121, 122), July 25, 1990, Page 36
EXHIBIT G

END OF SUMMER CLEARANCE
TAKE AN ADDITIONAL 25% OFF
Sale Ends Oct. 19
already reduced sale items
now 30% to 50% OFF

4721 N. Ocean Drive
Sea Ranch Center
Ft. Lauderdale

SPECIAL SALE
RACK... $5, $10, $15, $20...
Values to $35

CHRISTIAN BROTHERHOOD
50% OFF NEW PROGRAMS
Call or Drop in For A Free Consultation
FT. LAUDERDALE ... 563-4890 HOLLYWOOD ... 961-5033
PLANTATION ..... 749-0983 BOCA RATON ..... 979-4446
CORAL SPR. ... 753-5000 DELRAY ... 272-5454
DADE/PALM BCH. CALL TOLL FREE 1-800-940-SLIM

MAJOR CREDIT CARDS ACCEPTED & PEOPLE PROVEN

LOSE WEIGHT
NO EXPENSIVE
FOOD TO BUY!

Sherry Bishop
"I'm maintaining
my figure with
HERBAL BALANCE"
TAKE IT OFF . . . AND KEEP IT OFF!
Introducing The New Fast Track Program

SPRING SPECIAL
2 FOR 1
BRING A FRIEND AND SAVE
OR COME ALONE AND SAVE 50%

Discover the easy, fast, one-to-one approach to weight loss!

At Doctors Weight Loss Centers we offer an alternative to those group meetings that may cause you embarrassment and make you feel uncomfortable. When you're trying to lose weight, the last thing you need is an audience.

In our private one-on-one consultation you will receive the support and guidance you need from our staff.

CALL FOR FREE INFORMATION AND BROCHURE

DOCTORS WEIGHT LOSS CENTERS

- Hollywood 951-2203
- Plantation 748-2991
- Weston Pembroke 430-8287
- Pompano/Lighthouse Pt. 426-0772
- Ft. Lauderdale 563-4999
- Coral Springs 153-3002

- Boca Raton 476-4446
- Delray Beach 227-5434
- W. Palm Beach 478-1446
- Lake Worth 589-2321
- Stuart 287-2066

Weight Loss Varies with Individual

Credit Cards Accepted
EXHIBIT I

167 LBS.  117 LBS.  116 LBS.
WHAT MAKES OUR PROGRAM THE BEST?
EFFECTIVE  PRIVATE COUNSELING  FLEXIBLE - EAT-IN RESTAURANTS.
SAFE      INEXPENSIVE - NO  FAST FOOD OUTLETS OR AT HOME
LONG LASTING RESULTS PRE-PACKAGED FOODS  DOCTOR APPROVED.
EASY      TO BUY  PEOPLE PROVEN

3 yrs. later and I’m still slim, toned & healthy. It’s no problem staying a size 5.
Wendy Manning, Hollywood

Exhibit I
“I WAS NEVER HUNGRY
It Really Works. I'm Living Proof!”

143 Lbs. 113 Lbs.

I didn't know if I could do it, but I had nothing to worry about. I never felt hungry or deprived. I only felt encouraged, especially when I reached my goal and lost 30 lbs. in just 10 weeks.

Kim M. Young
Miami

EASE INTO SUMMER
with a brand new figure—
Permanent Weight Loss Now Available to the Public.
Call To See HOW EASY IT IS!

DOCTORS WEIGHT LOSS CENTERS “NEW” 4 PART PROGRAM
1. Lose weight while eating real food but you lose at the supermarket and prepared meals.
2. Learn what to eat & how to order while eating McDonald's, Denny's, Fast Food...and still lose weight & stay thin for life.
3. For your convenience - delicious fresh frozen meals at low supermarket prices.
4. Call on your Personal Supervisor this ad.

DOCTORS WEIGHT LOSS CENTERS

GADLE BROWARD PALM BEACH

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118 F.T.C.
EXHIBIT K
Any weight loss is bound to fail unless you learn to eat at fast food outlets and today's restaurants.

DOCTORS WEIGHT LOSS CENTERS HAVE A 4 PART PROGRAM

1. Lose weight while eating real food that you buy at the supermarket and prepare yourself.
2. Learn what to eat & how to order while eating at McDonald's, Wendy's, Pizza Hut, Denny's, Red Lobster, etc... and still lose weight & stay thin for life.
3. For your convenience - delicious fresh frozen meals at low supermarket prices.
4. One on One Personal Supervision thru out

"My husband keeps telling me how good I look. I had low blood sugar before I started DOCTORS WEIGHT LOSS CENTERS. But now I feel great!"

Jolanta Gawlik
Riviera Beach, FL

CALL TODAY FOR YOUR FREE CONSULTATION

DOCTORS WEIGHT LOSS CENTERS

DADE   BROWARD   PALM BEACH

- Aventura     335-6786   - Pembroke Pines/Dania     432-8347   - Boca Raton     479-4445
- Homestead    265-9277   - Pompano/Deerfield    426-8773   - Delray Beach     273-6454
- Cutler Ridge  553-6068   - Ft. Lauderdale      563-6689   - N. Palm Beach     895-6337
- N. Miami Beach 656-4943   - Coral Springs       755-8000   - W. Palm Beach     475-1348
- Hialeah       272-8671   - Plantation           948-5995   - Lake Worth       966-2221
- Kendall       274-1110   - Hollywood          961-5033   - Stuart           287-0098
- Westchester/Tamarac     551-1121  Major Credit Cards Accepted

CONVENIENT - CALL FREE 1-800-240-SLIM

1-800-240-SLIM

MON.-FRI. 8AM-7PM; SAT. 9AM-7PM
LOST 25 LBS.
IN 8 WEEKS!

"I feel better about myself & physically feel wonderful."  

Kathy Goedel

LOSE 3-7 LBS. A Week for only
$11 per WEEK*

*Limited Offer For New Programs Only

PROGRAMS FOR MEN, WOMEN, AND TEENS
CALL or DROP-IN for FREE CONSULTATION

DOCTORS WEIGHT LOSS CENTERS

DADE  BROWARD  PALM BEACH

- Cutler Ridge  - 1-800-940-SLIM
- Hollywood  - 755-4693
- Weston  - 755-4693
- Fort Lauderdale  - 755-4693
- Pembroke Pines  - 755-4693
- Pembroke Pines  - 755-4693
- Coral Springs  - 755-4693
- Coral Springs  - 755-4693
- Hollywood  - 755-4693
- Hollywood  - 755-4693

Lose all the weight you want while learning to live and eat in today's modern world of fast food outlets, Denny's, Red Lobster, Pizza Hut, restaurants, convenience stores, etc.

EXHIBIT M
REVOLUTIONARY NEW WAY
TO LOSE WEIGHT
YOU DO IT YOUR WAY!

PROGRAM #1
No special foods to buy. You eat restaurant food or supermarket food you prepare at home. One on one personal supervision throughout. Up to 6 lbs. per week weight loss.

PROGRAM #2
For your convenience, now available at your supermarket delicious money saving, fresh frozen meals 100% compatible with the Doctors Weight Loss Program. There’s no need to buy expensive diet meals at other weight loss centers ever again!

DOCTORS WEIGHT LOSS ADVANTAGE:
Lose the weight you want, inexpensively, and do it your way. You’ll take the weight off and learn to keep it off while learning to live and eat in today’s modern world eating at fast food outlets, convenience stores, and restaurants.

DADE
- Coral Ridge: 205-0008
- S. Miami Beach: 655-5277
- Miami Beach: 337-0008
- North Bay Village: 373-1029
- Westchester/Tamarac: 531-1191

BROWARD
- Weston/Plantation: 432-8247
- Pembroke Pines/Lighthouse Pt: 428-8777
- Doral: 647-1171
- Coral Springs: 740-0999
- Hialeah: 614-0032

PALM BEACH
- Boca Raton: 478-4448
- Delray Beach: 273-4448
- West Palm Beach: 830-0377
- North Palm Beach: 675-1414
- Lake Worth: 989-5227
- Stuart: 367-4030

For more information call 1-800-SLIM-2456.

Exhibit N
DOCTORS MEDICAL WEIGHT LOSS CENTERS, INC., ET AL.

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 of 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 violation of the Federal Trade Commission Act; and

The respondents, their attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of 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, 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 had violated the said Act, and that 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 sixty (60) 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. Respondents DMWLC and DWLC are corporations organized, existing and formerly doing business under and by virtue of the laws of the State of Florida, with their offices and principal place of business located at 5479 A North Federal Highway, Fort Lauderdale, Florida.

2. Respondent Joyce A. Schuman is an individual with her principal residence located at 2730 Sea Island Drive, Fort Lauderdale, Florida.

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

DEFINITIONS

For the purposes of this order, the following definitions shall apply:

A. "Competent and reliable scientific evidence" shall mean those tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that have 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;

B. "Weight loss program" shall mean any program designed to aid consumers in weight loss or weight maintenance;

C. A "broadcast medium" shall mean any radio or television broadcast, cablecast, home video, or theatrical release;

D. For any order-required disclosure in print media to be made "clearly and prominently," or in a "clear and prominent manner," it must be given both in the same type style and in: (1) twelve point type where the representation that triggers the disclosure is given in twelve point or larger type; or (2) the same type size as the representation that triggers the disclosure where that representation is given in a type size that is smaller than twelve point type. For any order-required disclosure given orally in a broadcast medium to be made "clearly and prominently," or in a "clear and prominent manner," the disclosure must be given at the same volume and in the same cadence as the representation that triggers the disclosure;

E. A "short broadcast advertisement" shall mean any advertisement of thirty seconds or less duration made in a broadcast medium.

I.

It is ordered, That respondents DMWLC, a corporation, DWLC, a corporation, their successors and assigns, and their officers, and Joyce A. Schuman, individually and as an officer of said corporations, and respondents, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, or sale of any weight loss program, in or affecting commerce, as
"commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Making any representation, directly or by implication, about the success of participants on any weight loss program in achieving or maintaining weight loss or weight control unless, at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation, provided, further, that for any representation that:

(1) Any weight loss achieved or maintained through the weight loss program is typical or representative of all or any subset of participants of respondents' program, said evidence shall, at a minimum, be based on a representative sample of:

(a) All participants who have entered the program, where the representation relates to such persons; provided, however, that the required sample may exclude those participants who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or

(b) All participants who have completed a particular phase of the program or the entire program, where the representation only relates to such persons;

(2) Any weight loss is maintained long-term, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of at least two years from their completion of the active maintenance phase of respondents' program or earlier termination, as applicable; and

(3) Any weight loss is maintained permanently, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of time after completing the program that is either:

(a) Generally recognized by experts in the field of treating obesity as being of sufficient length for predicting that weight loss will be permanent, or

(b) Demonstrated by competent and reliable survey evidence as being of sufficient duration to permit such a prediction.
B. Representing, directly or by implication, except through endorsements or testimonials referred to in paragraph I.E. herein, that participants of any weight loss program have successfully maintained weight loss, unless respondents disclose, clearly and prominently, and in close proximity to such representation, the statement: "For many dieters, weight loss is temporary"; provided, further, that respondents shall not represent, directly or by implication, that the above-quoted statement does not apply to dieters in respondents' weight loss program; provided, however, that a mere statement about the existence, design or content of a maintenance program shall not, without more, be considered a representation that participants of any weight loss program have successfully maintained weight loss.

C. Representing, directly or by implication, except through short broadcast advertisements referred to in paragraph I.D. herein, and except through endorsements or testimonials referred to in paragraph I.E. herein, that participants on any weight loss program have successfully maintained weight loss, unless respondents disclose, clearly and prominently, and in close proximity to such representation, the following information:

1. The average percentage of weight loss maintained by those participants;
2. The duration over which the weight loss was maintained, measured from the date that participants ended the active weight loss phase of the program, provided, further, that if any portion of the time period covered includes participation in a maintenance program(s) that follows active weight loss, such fact must also be disclosed; and
3. If the participant population referred to is not representative of the general participant population for respondents' programs:

   a. The proportion of the total participant population in respondents' programs that those participants represent, expressed in terms of a percentage or actual numbers of participants, or
   b. The statement: "[Doctors Medical Weight Loss Centers/Doctors Weight Loss Centers] makes no claim that this [these] result[s] is [are] representative of all participants in the [Doctors Medical Weight Loss Centers/Doctors Weight Loss Centers] program."
provided, further, that compliance with the obligations of this paragraph I.C. in no way relieves respondents of the requirement under paragraph I.A. of this order to substantiate any representation about the success of participants on any weight loss program in maintaining weight loss.

D. Representing, directly or by implication, in short broadcast advertisements, that participants of any weight loss program have successfully maintained weight loss, unless respondents:

(1) Include, clearly and prominently, and in immediate conjunction with such representation, the statement: “Check at our centers for details about our maintenance record”;

(2) For a period of time beginning with the date of the first broadcast of any such advertisement and ending no sooner than thirty days after the last broadcast of such advertisement, comply with the following procedures upon the first presentation of any form asking for information from a potential client, but in any event before such person has entered into any agreement with respondents:

(a) Give to each potential client a separate document entitled “Maintenance Information,” which shall include all the information required by paragraph I.E. and subparagraphs I.C. (1)-(3) of this order and shall be formatted in the exact type size and style as the example form below, and shall include the heading (Helvetica 14 point bold), lead-in (Times Roman 12 point), disclosures (Helvetica 14 point bold), acknowledgment language (Times Roman 12 point), and signature block therein; provided, further, that no information in addition to that required to be included in the document required by this subparagraph I.D (2) shall be included therein;
MAINTENANCE INFORMATION

You may have seen our recent ad about maintenance success. Here’s some additional information about our maintenance record.

For many dieters, weight loss is temporary.

I have read this notice. ____________________________

(Client Signature) (Date)

(b) Require each potential client to sign such document; and
(c) Give each client a copy of such document; and

(3) Retain in each client file a copy of the signed maintenance notice required by this paragraph; provided, further, that:

(i) Compliance with the obligations of this paragraph I.D. in no way relieves respondents of the requirement under paragraph I.A. of this order to substantiate any representation about the success of participants on any weight loss program in maintaining weight loss;

(ii) Respondents must comply with both paragraph I.D. and paragraph I.C. of this order if respondents include in any such short broadcast advertisement a representation about maintenance success that states a number or percentage, or uses descriptive terms that convey a quantitative measure such as “most of our customers maintain their weight loss long-term”;

provided, however, that the provisions of paragraph I.D. shall not apply to endorsements or testimonials referred to in paragraph I.E. herein.

E. Using any advertisement containing an endorsement or testimonial about weight loss success or weight loss maintenance success by a participant or participants of respondents’ weight loss programs if the weight loss success or weight loss maintenance success depicted in the advertisement is not representative of what participants of respondents’ weight loss programs generally achieve, unless respondents disclose, clearly and prominently, and in close
proximity to the endorser’s statement of his or her weight loss success or weight loss maintenance success:

(1) What the generally expected success would be for DMWLC/DWLC customers in losing weight or maintaining achieved weight loss; provided, however, that the generally expected success for DMWLC/DWLC customers may exclude those customers who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or

(2) One of the following statements:

(a) “You should not expect to experience these results.”
(b) “This result is not typical. You may not do as well.”
(c) “This result is not typical. You may be less successful.”
(d) “_______’s success is not typical. You may not do as well.”
(e) “_______’s experience is not typical. You may achieve less.”
(f) “Results not typical.”
(g) “Results not typical of program participants.”

provided, further, that if the endorsements or testimonials covered by this paragraph are made in a broadcast medium, any disclosure required by this paragraph must be communicated in a clear and prominent manner, and in immediate conjunction with the representation that triggers the disclosure;

provided, however, that:

(i) For endorsements or testimonials about weight loss success, respondents can satisfy the requirements of subparagraph I.E. (1) by accurately disclosing the generally expected success in the following phrase: “Doctors Medical Weight Loss Centers, Inc./Doctors Weight Loss Centers, Inc., participants lose an average of ___ pounds over an average ____-week treatment period”; and

(ii) If the weight loss success or weight loss maintenance success depicted in the advertisement is representative of what participants of a group or subset clearly defined in the advertisement generally achieve, then, in lieu of the disclosures required in either subparagraphs I.E. (1)or (2) herein, respondents may substitute a clear and prominent disclosure of the percentage of all of respondents,
customers that the group or subset defined in the advertisement represents.

F. Representing, directly or by implication, that the price at which any weight loss program can be purchased is the only cost associated with losing weight on that program, unless such is the case.

G. Representing, directly or by implication, the price at which any weight loss program can be purchased, unless respondents disclose, clearly and prominently, either:

(1) In close proximity to such representation, the existence and amount of all mandatory fees associated with the program offered; or
(2) In immediate conjunction with such representation, one of the following statements:

(a) "Plus the cost of [list of products or services that participants must purchase at additional cost]"; or
(b) "Purchase of [list of products or services that participants must purchase at additional cost] required";

provided, further, that in broadcast media, if the representation that triggers any disclosure required by this paragraph is oral, the required disclosure must also be made orally.

H. Failing to disclose over the telephone, for a period beginning with the date of any advertisement of the price at which any weight loss program can be purchased and ending no sooner than 180 days after the last dissemination of such advertisement, to consumers who inquire about the cost of any weight loss program, or are told about the cost of any weight loss program, the existence and amount of any and all mandatory costs or fees associated with participation in the program; provided, however, that respondents may satisfy this requirement by directing their weight loss centers to disclose the information, by providing the center personnel with suggested language to be used when responding to phone inquiries and by making their best efforts to ensure compliance with their directive to disclose price information over the telephone.

I. Representing, directly or by implication, that prospective participants in respondents' weight loss programs will reach a specified weight within a specified time period, unless at the time of
making such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation.

J. Representing, directly or by implication, the average or typical rate or speed at which any participant on any weight loss program has lost or will lose weight, unless at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

K. Failing to disclose, clearly and prominently, either (1) to each participant who, after the first two weeks on the program, is experiencing average weekly weight loss that exceeds two percent (2%) of said participant’s initial body weight, or three pounds, whichever is less, for at least two consecutive weeks, or (2) in writing to all participants when they enter the program, that failure to follow the program protocol and eat all of the food recommended may involve the risk of developing serious health complications.

L. Misrepresenting, directly or by implication, the performance, efficacy, or safety of any weight loss program.

II.

It is further ordered, That respondents shall notify the Commission at least thirty (30) days prior to the effective date of any proposed change in the corporate respondents such as dissolution, assignment, or sale resulting in the emergence of a successor corporations, the creation or dissolution of subsidiaries, or any other change in the corporations that may affect compliance obligations arising out of this order.

III.

It is further ordered, That respondent Joyce A. Schuman shall promptly notify the Commission of the discontinuance of her present business or employment and of her affiliation with a new business or employment. In addition, for a period of three (3) years from the service date of this order, the individual respondent shall promptly notify the Commission of each affiliation with a new business or employment whose activities relate to the advertising, promotion, offering for sale, or sale of any weight loss program. When so required under this paragraph, each such notice shall include the
individual respondent's new business address and a statement of the nature of the business or employment in which the individual respondent is newly engaged, as well as a description of the individual respondent's duties and responsibilities in connection with the business or employment. The expiration of the notice provision of this paragraph shall not affect any other obligation arising under this order.

IV.

It is further ordered, That for three (3) years after the last date of dissemination of any representation covered by this order, respondents, or their successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials possessed and relied upon to substantiate any such representation; and
B. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

V.

It is further ordered, That respondents shall distribute a copy of this order to each of their officers, agents, representatives, independent contractors and employees who are involved in the preparation and placement of advertisements or promotional materials or in communication with customers or prospective customers or who have any responsibilities with respect to the subject matter of this order; and, for a period of three (3) years from the date of entry of this order, distribute same to all future such officers, agents, representatives, independent contractors and employees.
VI.

It is further ordered, That respondents shall, within sixty (60) days after the date of service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.
IN THE MATTER OF

QUICK WEIGHT LOSS CENTERS, INC., ET AL. (TEXAS)

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


This consent order prohibits, among other things, the Texas commercial diet
program company and its officers from misrepresenting the performance or
safety of any diet program they offer in the future, and requires the respondents
to possess competent and reliable scientific evidence to substantiate any future
claims they make about weight loss, weight loss maintenance, or rate of weight
loss; to make a number of disclosures regarding maintenance success claims;
and to disclose all mandatory fees.

Appearances

For the Commission: Eric Bash, Matthew Daynard and Richard
F. Kelly.

For the respondents: Gabriel Imperato, Broad & Cassell, Fort
Lauderdale, FL.

COMPLAINT

The Federal Trade Commission, having reason to believe that
Quick Weight Loss Centers, Inc., a Texas corporation (hereinafter,
“QWLC-Tex.”), Don K. Gearheart, individually and as an officer of
said corporation, and Joyce A. Schuman, individually and as an
officer of said corporation (hereinafter, collectively, “respondents”),
have violated the provisions of the Federal Trade Commission Act,
and it appearing to the Commission that a proceeding by it in respect
thereof would be in the public interest, alleges:

PARAGRAPH 1. (a) Respondent QWLC-Tex. is a Texas corpo-
ration, formerly doing business, with its principal office and place of
business located at 2900 Gateway, Suite 605, Irving, Texas.

(b) Respondent Don K. Gearheart is an officer of the corporate
respondent. Individually or in concert with others, he formulates,
directs, and controls the acts or practices of the corporate respondent,
including the acts or practices alleged in this complaint. His principal
residence is located at 9520 East Pinnacle Pear Road, Scottsdale, Arizona.

(c) Respondent Joyce A. Schuman is an officer of the corporate respondent. Individually or in concert with others, she formulates, directs, and controls the acts or practices of the corporate respondent, including the acts or practices alleged in this complaint. Her principal residence is located at 2730 Sea Island Drive, Fort Lauderdale, Florida.

(d) Respondents have cooperated and acted together in carrying out the acts and practices alleged in this complaint.

PAR. 2. Respondents have advertised or otherwise promoted, offered for sale, and sold weight reduction and weight control programs and products, and have made them available to consumers at their weight loss centers. Respondents have offered for sale and sold diet programs of 800 to 1500 calories per day that include food, as “food” is defined in Section 15 of the Federal Trade Commission Act.

PAR. 3. In the course and conduct of their business, respondents have disseminated or have caused to be disseminated advertisements for weight reduction and weight control programs and products. Respondents have placed these advertisements with various media for the purpose of inducing consumers to purchase their programs and products. Respondents have further advertised their weight loss programs through the use of promotional materials, including pamphlets and brochures, given to customers and prospective customers at individual weight loss center locations.

PAR. 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.

PAR. 5. Respondents’ advertisements and promotional materials include, but are not necessarily limited to, the advertisements and promotional materials attached hereto as Exhibits A-M.

PAR. 6. The advertisements and promotional materials referred to in paragraph five, attached hereto as Exhibits A-F, contain the following statements:

(a) “LOSE WEIGHT, KEEP IT OFF THE EASY WAY” (Exhibit A)
(b) “WHAT MAKES A WEIGHT LOSS PROGRAM GREAT? ... Results should be long lasting & offer a lifetime solution to a weight problem ... GUESS WHAT ... We just described the QUICK WEIGHT LOSS PROGRAM.” (Exhibit B)
(c) "'Keeping the weight off has been no problem' ... LONG * LASTING RESULTS" (Exhibit C)
(d) "'I lost 60 lbs. and have learned to keep it off. It's been over 3 years now and I still look and feel great.'" (Exhibit D)
(e) "'Reaching my goal was the greatest day of my life.'" (Exhibit E)
(f) "'Now that I have reached my goal I will be able to maintain my weight because I have learned to prepare great dietary meals and how to order in restaurants.'" (Exhibit F)

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph six, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that:

(a) QWLC-Tex. customers typically are successful in reaching their weight loss goals and maintaining their weight loss either long-term or permanently;
(b) QWLC-Tex. customers typically are successful in maintaining their weight loss achieved under the QWLC-Tex. diet program; and
(c) QWLC-Tex. customers typically are successful in reaching their weight loss goals.

PAR. 8. Through the use of the statements contained in the advertisements referred to in paragraph six, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraph seven respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 9. In truth and in fact, at the time respondents made the representations set forth in paragraph seven, they did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, respondents’ representation as set forth in paragraph eight was and is false and misleading.

PAR. 10. The advertisements referred to in paragraph five, attached hereto as Exhibits B-D and G-L contain the following statements:

(a) "6 WEEKS FOR $66" (Exhibits B, G)
(b) "$11.00 per week" (Exhibits C, D, H, I, J)
(c) "FOR ONLY $11" (Exhibit K)
(d) "COMPLETE WEIGHT LOSS PROGRAM FOR LESS THAN $9 PER WEEK" (Exhibit L)

PAR. 11. Through the use of the statements contained in the advertisements referred to in paragraph ten, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that the advertised price is the only cost associated with losing weight on the QWLC-Tex. weight loss program.

PAR. 12. In truth and in fact, the advertised price is not the only cost associated with losing weight on the QWLC-Tex. weight loss program. There are substantial, additional mandatory expenses associated with participation in the QWLC-Tex. weight loss program. Therefore, respondents' representation as set forth in paragraph eleven was and is false and misleading.

PAR. 13. In advertising the price of the QWLC-Tex. weight loss program, respondents have failed to disclose to consumers the existence and amount of all mandatory expenses associated with participation in the QWLC-Tex. weight loss program. This fact would be material to consumers in their purchase or use decisions regarding the weight loss program. In light of respondents' representation as set forth in paragraph eleven that the quoted price represents the only cost associated with the QWLC-Tex. weight loss program, said failure to disclose was and is a deceptive practice.

PAR. 14. The advertisements referred to in paragraph five, attached hereto as Exhibits A, G-J, and M, contain the following statements:

(a) "Lose 3-8 pounds a week" (Exhibits A, G)
(b) "LOSE 30 LBS. IN 30 DAYS" (Exhibit G)
(c) "LOSE 3-7 LBS. A WEEK ..." (Exhibit H)
(d) "NOW YOU CAN LOSE 3-6 LBS. A WEEK ..." (Exhibits I, J)
(e) "CALL, COME IN AND START TODAY ... BE 7 LBS. LIGHTER BY NEXT WEEK!" (Exhibit M)

PAR. 15. Through the use of the statements contained in the advertisements referred to in paragraph fourteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that consumers following the QWLC-Tex. weight loss program typically lose weight at an average rate of:
i) Thirty pounds in thirty days; and
ii) Three to eight pounds per week.

PAR. 16. The advertisements referred to in paragraph five, attached hereto as Exhibits B and K, contain the following statements:

(a) “LOSE UP TO 7 LBS. PER WEEK” (Exhibit B)
(b) “LOSE UP TO 6 lbs Per Week” (Exhibit K)

PAR. 17. Through the use of the statements contained in the advertisements referred to in paragraph sixteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that an appreciable number of consumers following the QWLC-Tex. weight loss program typically lose weight at an average rate of six to seven pounds per week.

PAR. 18. Through the use of the statements contained in the advertisements referred to in paragraphs fourteen and sixteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraphs fifteen and seventeen, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 19. In truth and in fact, at the time respondents made the representations set forth in paragraphs fifteen and seventeen, they did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, respondents’ representation as set forth in paragraph eighteen was and is false and misleading.

PAR. 20. In the course and conduct of their business, respondents have provided their customers with diet protocols that required said customers, *inter alia*, to come in to one of respondents’ weight loss centers three to six times a week for monitoring of their progress, including weighing in. In the course of regularly ascertaining weight loss progress, respondents, in some instances, have been presented with weight loss results indicating that customers have been losing weight significantly in excess of their projected goals, which is an indication that they may not have been consuming all of the food prescribed by their diet protocol. Such conduct could, if not corrected promptly, result in health complications.
PAR. 21. When presented with the weight loss results described in paragraph twenty, respondents, on many occasions, have not disclosed to the customers that failing to follow the diet protocol and consume all of the calories prescribed could result in health complications. This fact would be material to customers in their purchase or use decisions regarding the weight loss program. In light of respondents' practice of monitoring customers, said failure to disclose was and is a deceptive practice.

PAR. 22. The advertisements and promotional materials referred to in paragraph five, attached hereto as Exhibit G, contain the following statements:

(a) “Medically supervised by weight loss specialists” (Exhibit G)

PAR. 23. Through the use of the statements referred to in paragraph twenty-two, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that customers who participate in QWLC-Tex. diet programs are monitored by health professionals.

PAR. 24. In truth and in fact, customers who participate in QWLC-Tex. diet programs are not monitored by health professionals. Therefore, respondents' representation as set forth in paragraph twenty-three was and is false and misleading.

PAR. 25. The acts and practices of respondents as alleged in this complaint constitute 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.

Commissioner Owen was recorded as voting in the affirmative, but dissenting as to the exception requiring full numerical disclosures involving quantitative weight loss maintenance claims in short radio and TV ads.
NEW YEAR'S RESOLUTION:

LOSE WEIGHT, KEEP IT OFF THE EASY WAY

"69 Lbs. in only 23 weeks... It was easy & I was never hungry!"

Lilianne DeGrasse

NO HUNGER • NO EXERCISE

Eat regular everyday food and lose 3-8 pounds a week. "It's safe, it's sensible and it's fast. SAVE $300 a month by not having to buy expensive pre-packaged foods.

Discover 24 Secrets to Get & Stay Slim • FREE CONSULTATION

CALL

DALLAS 235-SLIM 277-SLIM

15 Convenient Locations

HOURS: MON. thru FRI. 9 a.m.-8 p.m. • SAT. 9 a.m.-1 p.m.

MAJOR CREDIT CARDS ACCEPTED
LOSE WEIGHT
EATING 3 GOOD MEALS A DAY!

CALL, COME IN
START TODAY

RECEIVE
6 WEEKS $66.00
FOR ONLY

WHAT MAKES A
WEIGHT
LOSS PROGRAM
GREAT?*
* Must be safe, easy and
no special foods to buy
* Must be flexible in all situa-
tions such as eating out in
fast food chain restau-
* Results should be lasting
& offer a life time solution to a
weight problem.
* Must be affordable & Drug Free

GUESS WHAT... We just
described the
QUICK WEIGHT LOSS
PROGRAM. Call now for
your FREE consultation.

LOSE UP TO 7
LBS. PER WEEK

QUICK
WEIGHT
LOSS
CENTERS

TAMI CUNNINGHAM LOST 56 LBS. & 8
DRESS SIZES & WAS NEVER HUNGRY
WHILE EATING 3 GREAT MEALS A DAY

PRESIDENT 727 1017 MUSKOGEE 623 9632 CAMP BOWIE 765 5056
RICHARDSON 650 1984 DEERFIELD 331 7500 HUSTON 284 2010
IRVING 599 2302 FRISCO 242 4121 ARLINGTON 243 5313
 판단 323 1111 S. ARKINTON 483 5056 AUSTIN 254 9569
GRAND PRAIRIE 382 1077 WAXAHACHIE 246 1507 MCKINNEY 482 8000

10 LOCATIONS
*EXCLUDES PREPARED CEMS & SUPPLEMENTS
STIPLED 1-800-366-LOSE
*Men & Women
WEIGHT MUST BE 50 LBS TO START
WEIGHT MUST BE 100 LBS TO START

[EXHIBIT B]

October 10, 1990
EXHIBIT C

May 5, 1991

JOIN THIS WEEK
LOSE 1/2 to 3-6 LBS. PER WEEK

167 LBS. 116 LBS. 117 LBS.

"Keeping the weight off has been no problem. I love wearing size 6"... Wendy Manning
In our opinion this is the safest, easiest and least expensive weight loss program
available in all of Texas. Management... Q.W.L.C.
EFFECTIVE • SAFE • LONG • LASTING RESULTS • EASY • PRIVATE COUNSELING •
INEXPENSIVE • NO PRE-PACKED FOODS TO BUY • FLEXIBLE • EAT IN RESTAURANTS,
FAST FOOD OUTLETS OR AT HOME • PEOPLE PROVEN

CALL OR DROP IN YOUR FREE CONSULTATION
QUICK WEIGHT LOSS CENTERS

HURST 334-1067 668-5345 GRAND PRAIRIE 669-0877 DUNCANVILLE 337-1700
ARLINGTON 334-2822 IRVING 334-1200 PLANO 334-1211
BEDFORD 334-8666 PRESTON 739-8077 MESQUITE 333-5833

WEIGHT LOSS VARIES WITH INDIVIDUALS
OPEN EVENINGS & SATURDAY, 10am-9pm. SAT. 11m-1 PM. Master Credit Cards Accepted
"I TRIED THEM ALL!
AND NOTHING WORKED UNTIL QWLC.
I lost 60lbs and have learned to keep it off.
It's been over 3 years now and I still look and feel great."
LEZIA PETRIZIO, Dallas, TX

ONLY $14.00
Call For Free Information
QUICK WEIGHT LOSS CENTERS

HULEN .......... 346-1987
S. ARLINGTON ... 482-5081
CAMP BOWIE ...... 763-8505
CARROLLTON ...... 223-9211
GRAND PRAIRIE .. 602-0077
DUNCANVILLE .... 233-1700
IRVING .......... 596-1300
PLANO .......... 474-4121
MEQUITE ......... 513-5833
MOCKINGBIRD ..... 833-2017
RICHARDSON .. 860-1696
S. ARLINGTON ..... 548-1111

EXHIBIT D

000139
"I encourage everyone to start working on a new you! Today! What an improvement on my self-image. Reaching my goal was the greatest day of my life, I have never felt healthier. GWLC really works, and it's safe.
Maria C. Barnes R.N.
Garland, TX

No Hunger • No Exercise
No Pre-Packaged
Food To Buy
FAST • SAFE • EASY
Call Today For Your FREE Consultation

REMEMBER, RESULTS START WHEN YOU DO!

OPEN EVENINGS & SATURDAY
Toll Free 1-800-366-CLOSE
WEIGHT LOSS THAT WORKS

BETTY STRATTON

LOST 30 LBS.

This program provides...
GUIDANCE
ATTENTION
RESULTS

ENROLL NOW
Receive ONE MONTH FREE*
Must Have 30 lbs. to lose

"Now that I have reached my goal I will be able to maintain my weight because I have learned to prepare great dietary meals and how to order in restaurants."

QUICK WEIGHT LOSS CENTERS

PRESTON .......... 739-8077
GARLAND ......... 680-1696
IRVING ........... 659-1300
CARROLLTON ...... 233-9211
GRAND PRAIRIE ... 502-0077
MESQUITE ........ 613-5823
DUNCANVILLE ... 331-1700
PLANO ............ 424-4121
S. ARLINGTON ... 483-5081
HULEN ............ 346-1887
CAMP BOWIE ...... 763-8585
HURST ............ 284-2216
ARLINGTON ....... 248-1111
BEDFORD .......... 354-8665
MCKINNEY ......... 623-2017

CALL FOR A FREE CONSULTATION

[Address and phone numbers for various locations]

EXHIBIT F
"Before coming to GWLC, I was unhappy with myself and had no self-esteem. My husband was unhappy because of how I felt about myself. Now after losing 43 lbs, I feel great and my husband says it's much easier to live with me. I've changed my eating habits and have much more energy and feel healthier. Losing the weight was easy, no hunger, no exercise. The people at GWLC are very supportive and I couldn't have done it without them."

- DEBRA REMER

Call Today for Your FREE Consultation
QUICK WEIGHT LOSS CENTERS
Fourteen Convenient Metroplex Locations

DALLAS
Preston
Richardson
Irving
Carrolton
Mesquite
Duncanville
Plano
Mockingbird/Abrams

FORT WORTH
Call

Dallas
Fl. Worth
239-SLIM or 277-SLIM

for location nearest you

Weight Loss Centers Accept
Cash, Check, Visa, MasterCard

Tuesday, June 27, 1989 / Fort Worth Star-Telegram / Section 4, Page 3

EXHIBIT G
LOSE 3-7 LBS. A WEEK
$11 PER WEEK*
"NEW" PROGRAMS ONLY
6 WEEK MINIMUM PROGRAM
People Proven
Since 1979
LOSE WEIGHT
THE SAFE, HEALTHY WAY
Lose 3 to 7 Lbs.* Per Week While Eating
Lots of Low Fat High Fiber Foods, Which
Recent Medical Studies Indicate May
Have A Preventative Effect On Major
Health Problems...
SAFE • EASY • NO HUNGER
$11 PER WEEK
CALL TODAY FOR YOUR FREE CONSULTATION
QUICK WEIGHT LOSS CENTER
PRESIDENT
732-8077
E. ARlington
MILLER
483-5081
RICHARDSON
878-1696
HUNT
544-1987
IRVING
559-1300
CAMP BOWIE
763-2885
CARROLLTON
323-8111
HURST
234-3116
GRAND PRAIRIE
692-0877
ARLINGTON
348-1111
LUELLA
615-3833
BEDFORD
354-8465
DUNCANVILLE
331-1300
MCKINNEY
823-3017
PLANO
671-4412
SANDERSON
SATURDAY til 6 PM
*All Free 1-800-366-LOSE
*Extraneous & Maintenance Charges
**Terms & Conditions
NOW YOU CAN LOSE 3-6 LBS. A WEEK FOR ONLY $11 per week

*Limited offer. New programs only. 6-week minimum program. Exclusive pricing & supplements.

LAST 4 DAYS!

Remember, Results Start When You Do.

PRESTON 720-8077
RICHARDSON 848-1688
IRVING 639-1300
CARROLLTON 325-8211
GRAND PRAIRIE 602-0077
VESPUCE 815-5633
DUNCANVILLE 311-1100
PLANO 424-1421

S. ARLINGTON 483-5081
N. ARLINGTON 344-1997
CAMP BOWIE 783-8585
HURST 784-3215
ARLINGTON 568-1111
BEDFORD 354-6665
MOCKINGBIRD 823-3017

TOLL FREE 1-800-366-LOSE

EXHIBIT I

000630
NOW YOU CAN LOSE
3-6* LBS. A WEEK
ONLY $11 PER WEEK*

New Programs 6 Week Minimum


PERSONAL TOUCH COUNSELING
Receive one-on-one Personal Counseling from our own weight loss specialist. Behavior Education and Nutritional Guidance Teaches you to keep the Weight Off.

QUICK WEIGHT LOSS CENTERS

Preston.......................... 732-3071
Richardson........................ 253-1966
Irving............................ 314-1984
Carrollton......................... 321-9271
Grand Prairie...................... 222-0571
Mesquite.......................... 615-3533
Coppell.......................... 333-1700
Plano................................ 434-1221

Call for FREE Consultation

*Weight Loss results may vary

For a complete list of locations, call 1-800-366-LOSE
LOSE UP TO 6 lbs Per Week

"I hate to diet, but this plan is fantastic! The staff is extremely supportive and they never pointed a finger or criticized me. I lost 83 lbs and 33 inches. My blood pressure is normal! I feel like a million!"

Olin R. Heifner
Garland, Texas

No Hunger • No Exercise
No Pre-Packaged Meals To Buy
FAST • SAFE • EASY

Call Today For Your FREE Consultation
Remember, Results start when you do.

PRESTON 739-8077 S. ARLINGTON 483-5081
RICHARDSON 660-1695 HULEN 346-1987
IRVING 559-1300 CAMP BOWIE 763-8929
CARROLLTON 323-9311 HURST 284-2216
GRAND PRAIRIE 602-0077 ARLINGTON 648-1111
MESQUITE 613-5833 BEDFORD 354-0555
DUNCANVILLE 331-1700 MCKINNEY 624-2011
PLANO 426-1421 MCKINNEY 668-8008

1-800-356-LOSE

EXHIBIT K
Includes AT NO ADDITIONAL COST:

- Personalized Program
- Enrollment
- Unlimited Weight Loss as Fast or Slow as you want
- Unlimited Office Visits
- Professional Supervision
- Stabilization
- Maintenance
- Private One-on-One Counseling

"I lost 65 lbs. in 21 weeks. My daughters are physicians & they recommend this program."
Carmen Flores

* Based on 1 year membership
I LOST HALF MY WAIST
I used to be 227 lbs.
and a size 32 dress.
I dropped 73 lbs. and
10 dress sizes.
Sharon Somerville
BEFORE
227 LBS.
SIZE 32
AFTER
154 LBS.
SIZE 12
ONE %
FREE*
MONTH
CALL, COME IN AND START TODAY...BE 7 LBS. LIGHTER BY NEXT WEEK!
QUICK WEIGHT LOSS CENTERS
DALLAS
FORT WORTH
*PRESTON
RICHARDSON
IRVING
CARROLLTON
MIDCITUE
DUNCANVILLE
PLANO
MOCRINGSIRD/ ABRAMS 833-9977
HULSM
CAMPBOWIE
HURST
ARLINGTON
BEDFORD
SOUTH ARLINGTON
HOURS: MON. WED. FRI. 10 a.m. - 9 p.m. SAT. 9:00 a.m. - 1:00 p.m.
Yrated
health
weight
loss
centers
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 of 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 violation of the Federal Trade Commission Act; and

The respondents, their attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of 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, 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 had violated the said Act, and that 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 sixty (60) 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 QWLC-Tex. is a corporation organized, existing and formerly doing business under and by virtue of the laws of the State of Texas, with its offices and principal place of business located at 2900 Gateway, Suite 605, Irving, Texas.

2. Respondent Don Gearheart is an individual with his principal residence located at 9520 East Pinnacle Pear Road, Scottsdale, Arizona.

3. Respondent Joyce A. Schuman is an individual with her principal residence located at 2730 Sea Island Drive, Fort Lauderdale, Florida.

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

DEFINITIONS

For the purposes of this order, the following definitions shall apply:

A. "Competent and reliable scientific evidence" shall mean those tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that have 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;

B. "Weight loss program" shall mean any program designed to aid consumers in weight loss or weight maintenance;

C. A "broadcast medium" shall mean any radio or television broadcast, cablecast, home video, or theatrical release;

D. For any order-required disclosure in print media to be made "clearly and prominently," or in a "clear and prominent manner," it must be given both in the same type style and in: (1) twelve point type where the representation that triggers the disclosure is given in twelve point or larger type; or (2) the same type size as the representation that triggers the disclosure where that representation is given in a type size that is smaller than twelve point type. For any order-required disclosure given orally in a broadcast medium to be made "clearly and prominently," or in a "clear and prominent manner," the disclosure must be given at the same volume and in the same cadence as the representation that triggers the disclosure;

E. A "short broadcast advertisement" shall mean any advertisement of thirty seconds or less duration made in a broadcast medium.

I.

It is ordered, That respondents QWLC-Tex., a corporation, its successors and assigns, and its officers, and Don K. Gearheart, individually and as an officer of said corporation, and Joyce A. Schuman, individually and as an officer of said corporation, and respondents' agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, or sale
of any weight loss program, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Making any representation, directly or by implication, about the success of participants on any weight loss program in achieving or maintaining weight loss or weight control unless, at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation, provided, further, that for any representation that:

1. Any weight loss achieved or maintained through the weight loss program is typical or representative of all or any subset of participants of respondents' program, said evidence shall, at a minimum, be based on a representative sample of:
   a. All participants who have entered the program, where the representation relates to such persons; provided, however, that the required sample may exclude those participants who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or
   b. All participants who have completed a particular phase of the program or the entire program, where the representation only relates to such persons;

2. Any weight loss is maintained long-term, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of at least two years from their completion of the active maintenance phase of respondents' program or earlier termination, as applicable; and

3. Any weight loss is maintained permanently, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of time after completing the program that is either:
   a. Generally recognized by experts in the field of treating obesity as being of sufficient length for predicting that weight loss will be permanent, or
(b) Demonstrated by competent and reliable survey evidence as being of sufficient duration to permit such a prediction.

B. Representing, directly or by implication, except through endorsements or testimonials referred to in paragraph I.E. herein, that participants of any weight loss program have successfully maintained weight loss, unless respondents disclose, clearly and prominently, and in close proximity to such representation, the statement: “For many dieters, weight loss is temporary”; provided, further, that respondents shall not represent, directly or by implication, that the above-quoted statement does not apply to dieters in respondents’ weight loss program; provided, however, that a mere statement about the existence, design, or content of a maintenance program shall not, without more, be considered a representation that participants of any weight loss program have successfully maintained weight loss.

C. Representing, directly or by implication, except through short broadcast advertisements referred to in paragraph I.D. herein, and except through endorsements or testimonials referred to in paragraph I.E. herein, that participants on any weight loss program have successfully maintained weight loss, unless respondents disclose, clearly and prominently, and in close proximity to such representation, the following information:

(1) The average percentage of weight loss maintained by those participants;
(2) The duration over which the weight loss was maintained, measured from the date that participants ended the active weight loss phase of the program, provided, further, that if any portion of the time period covered includes participation in a maintenance program(s) that follows active weight loss, such fact must also be disclosed; and
(3) If the participant population referred to is not representative of the general participant population for respondents’ programs:

(a) The proportion of the total participant population in respondents’ programs that those participants represent, expressed in terms of a percentage or actual numbers of participants, or
(b) The statement: “[Quick Weight Loss Centers] makes no claim that this [these] result[s] is [are] representative of all participants in the [Quick Weight Loss Centers] program.”
provided, further, that compliance with the obligations of this paragraph I.C. in no way relieves respondents of the requirement under paragraph I.A. of this order to substantiate any representation about the success of participants on any weight loss program in maintaining weight loss.

D. Representing, directly or by implication, in short broadcast advertisements, that participants of any weight loss program have successfully maintained weight loss, unless respondents:

(1) Include, clearly and prominently, and in immediate conjunction with such representation, the statement: “Check at our centers for details about our maintenance record”;

(2) For a period of time beginning with the date of the first broadcast of any such advertisement and ending no sooner than thirty days after the last broadcast of such advertisement, comply with the following procedures upon the first presentation of any form asking for information from a potential client, but in any event before such person has entered into any agreement with respondents:

(a) Give to each potential client a separate document entitled “Maintenance Information,” which shall include all the information required by paragraph I.B. and subparagraphs I.C. (1)-(3) of this order and shall be formatted in the exact type size and style as the example form below, and shall include the heading (Helvetica 14 point bold), lead-in (Times Roman 12 point), disclosures (Helvetica 14 point bold), acknowledgment language (Times Roman 12 point), and signature block therein; provided, further, that no information in addition to that required to be included in the document required by this subparagraph I.D (2) shall be included therein;
MAINTENANCE INFORMATION

You may have seen our recent ad about maintenance success. Here's some additional information about our maintenance record.

(Disclosure of maintenance statistics goes here)

For many dieters, weight toss is temporary.

I have read this notice. ____________________________
   (Client Signature) (Date)

(b) Require each potential client to sign such document; and
(c) Give each client a copy of such document; and

(3) Retain in each client file a copy of the signed maintenance notice required by this paragraph; provided, further, that:

(i) Compliance with the obligations of this paragraph I.D. in no way relieves respondents of the requirement under paragraph I.A. of this order to substantiate any representation about the success of participants on any weight loss program in maintaining weight loss;
(ii) Respondents must comply with both paragraph I.D. and paragraph I.C. of this order if respondents include in any such short broadcast advertisement a representation about maintenance success that states a number or percentage, or uses descriptive terms that convey a quantitative measure such as "most of our customers maintain their weight loss long-term;"

provided, however, that the provisions of paragraph I.D. shall not apply to endorsements or testimonials referred to in paragraph I.E. herein.

E. Using any advertisement containing an endorsement or testimonial about weight loss success or weight loss maintenance success by a participant or participants of respondents' weight loss programs if the weight loss success or weight loss maintenance success depicted in the advertisement is not representative of what participants of respondents' weight loss programs generally achieve, unless respondents disclose, clearly and prominently, and in close
proximity to the endorser’s statement of his or her weight loss success or weight loss maintenance success:

(1) What the generally expected success would be for QWLC-Tex. customers in losing weight or maintaining achieved weight loss; provided, however, that the generally expected success for QWLC-Tex. customers may exclude those customers who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or

(2) One of the following statements:

(a) “You should not expect to experience these results.”
(b) “This result is not typical. You may not do as well.”
(c) “This result is not typical. You may be less successful.”
(d) “______’s success is not typical. You may not do as well.”
(e) “______’s experience is not typical. You may achieve less.”
(f) “Results not typical.”
(g) “Results not typical of program participants.”

provided, further, that if the endorsements or testimonials covered by this paragraph are made in a broadcast medium, any disclosure required by this paragraph must be communicated in a clear and prominent manner, and in immediate conjunction with the representation that triggers the disclosure;

provided, however, that:

(i) For endorsements or testimonials about weight loss success, respondents can satisfy the requirements of subparagraph I.E. (1) by accurately disclosing the generally expected success in the following phrase: “Quick Weight Loss Centers, Inc. participants lose an average of ___ pounds over an average ___ - week treatment period”; and

(ii) If the weight loss success or weight loss maintenance success depicted in the advertisement is representative of what participants of a group or subset clearly defined in the advertisement generally achieve, then, in lieu of the disclosures required in either subparagraphs I.E. (1) or (2) herein, respondents may substitute a clear and prominent disclosure of the percentage of all of respondents'
customers that the group or subset defined in the advertisement represents.

F. Representing, directly or by implication, that the price at which any weight loss program can be purchased is the only cost associated with losing weight on that program, unless such is the case.

G. Representing, directly or by implication, the price at which any weight loss program can be purchased, unless respondents disclose, clearly and prominently, either:

(1) In close proximity to such representation, the existence and amount of all mandatory fees associated with the program offered; or

(2) In immediate conjunction with such representation, one of the following statements:

(a) “Plus the cost of [list of products or services that participants must purchase at additional cost]”; or

(b) “Purchase of [list of products or services that participants must purchase at additional cost] required”;

provided, further, that in broadcast media, if the representation that triggers any disclosure required by this paragraph is oral, the required disclosure must also be made orally.

H. Failing to disclose over the telephone, for a period beginning with the date of any advertisement of the price at which any weight loss program can be purchased and ending no sooner than 180 days after the last dissemination of such advertisement, to consumers who inquire about the cost of any weight loss program, or are told about the cost of any weight loss program, the existence and amount of any and all mandatory costs or fees associated with participation in the program; provided, however, that respondents may satisfy this requirement by directing their weight loss centers to disclose the information, by providing the center personnel with suggested language to be used when responding to phone inquiries and by making their best efforts to ensure compliance with their directive to disclose price information over the telephone.

I. Representing, directly or by implication, that prospective participants in respondents, weight loss programs will reach a specified weight within a specified time period, unless at the time of
making such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation.

J. Representing, directly or by implication, the average or typical rate or speed at which any participant on any weight loss program has lost or will lose weight, unless at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

K. Failing to disclose, clearly and prominently, either (1) to each participant who, after the first two weeks on the program, is experiencing average weekly weight loss that exceeds two percent (2%) of said participant's initial body weight, or three pounds, whichever is less, for at least two consecutive weeks, or (2) in writing to all participants when they enter the program, that failure to follow the program protocol and eat all of the food recommended may involve the risk of developing serious health complications.

L. Representing, directly or by implication, that any weight loss program is supervised or monitored by health care professionals, unless such is the case, or otherwise misrepresenting, directly or by implication, the extent to which any weight loss program is supervised or monitored by health care professionals.

M. Misrepresenting, directly or by implication, the performance, efficacy, or safety of any weight loss program.

II.

It is further ordered, That respondents shall notify the Commission at least thirty (30) days prior to the effective date of any proposed change in the corporate respondent such as dissolution, assignment, or sale resulting in the emergence of a successor corporation(s), the creation or dissolution of subsidiaries, or any other change in the corporation(s) that may affect compliance obligations arising out of this order.

III.

It is further ordered, That respondents Don K. Gearheart and Joyce A. Schuman shall promptly notify the Commission of the discontinuance of their present business or employment and of their affiliation with a new business or employment. In addition, for a
period of three (3) years from the service date of this order, the individual respondents shall promptly notify the Commission of each affiliation with a new business or employment whose activities relate to the advertising, promotion, offering for sale, or sale of any weight loss program. When so required under this paragraph, each such notice shall include the individual respondent’s new business address and a statement of the nature of the business or employment in which the individual respondent is newly engaged, as well as a description of the individual respondent’s duties and responsibilities in connection with the business or employment. The expiration of the notice provision of this paragraph shall not affect any other obligation arising under this order.

IV.

It is further ordered, That for three (3) years after the last date of dissemination of any representation covered by this order, respondents, or their successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials possessed and relied upon to substantiate any such representation; and
B. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

V.

It is further ordered, That respondents shall distribute a copy of this order to each of their officers, agents, representatives, independent contractors and employees who are involved in the preparation and placement of advertisements or promotional materials or in communication with customers or prospective customers or who have any responsibilities with respect to the subject matter of this order; and, for a period of three (3) years from the date of entry of this order, distribute same to all future such officers, agents, representatives, independent contractors and employees.
VI.

It is further ordered, That respondents shall, within sixty (60) days after the date of service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.
IN THE MATTER OF

QUICK WEIGHT LOSS CENTERS, INC., ET AL. (GEORGIA)

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


This consent order prohibits, among other things, the Georgia commercial diet program company and its officer from misrepresenting the performance or safety of any diet program they offer in the future, and requires the respondents to possess competent and reliable scientific evidence to substantiate any future claims they make about weight loss, weight loss maintenance, or rate of weight loss; to make a number of disclosures regarding maintenance success claims; and to disclose all mandatory fees.

Appearances

For the Commission: Eric Bash, Matthew Daynard and Richard F. Kelly.
For the respondents: Gabriel Imperato, Broad & Cassell, Fort Lauderdale, FL.

COMPLAINT

The Federal Trade Commission, having reason to believe that Quick Weight Loss Centers, Inc., a Georgia corporation (hereinafter, "QWLC-Ga."), and Don K. Gearheart, individually and as an officer of said corporation, (hereinafter, collectively, "respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. (a) Respondent QWLC-GA. is a Georgia corporation, formerly doing business, with its principal office and place of business located at 1401 Johnson Ferry Road, Suite 276, Marietta, Georgia.
(b) Respondent Don K. Gearheart is an officer of the corporate respondent. Individually or in concert with others, he formulates, directs, and controls the acts or practices of the corporate respondent, including the acts or practices alleged in this complaint. His principal
residence is located at 9520 East Pinnacle Pear Road, Scottsdale, Arizona.

(c) Respondents have cooperated and acted together in carrying out the acts and practices alleged in this complaint.

PAR. 2. Respondents have advertised or otherwise promoted, offered for sale, and sold weight reduction and weight control programs and products, and have made them available to consumers at their weight loss centers. Respondents have offered for sale and sold diet programs of 800 to 1500 calories per day that include food, as "food" is defined in Section 15 of the Federal Trade Commission Act.

PAR. 3. In the course and conduct of their business, respondents have disseminated or have caused to be disseminated advertisements for weight reduction and weight control programs and products. Respondents have placed these advertisements with various media for the purpose of inducing consumers to purchase their programs and products. Respondents have further advertised their weight loss programs through the use of promotional materials, including pamphlets and brochures, given to customers and prospective customers at individual weight loss center locations.

PAR. 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.

PAR. 5. Respondents' advertisements and promotional materials include, but are not necessarily limited to, the advertisements and promotional materials attached hereto as Exhibits A-E.

PAR. 6. The advertisements and promotional materials referred to in paragraph five, attached hereto as Exhibits A-C, contain the following statements:

(a) "The only way to lose weight and keep it off." (Exhibit A)
(b) "WHAT MAKES A WEIGHT LOSS PROGRAM GREAT? ... Results should be long lasting & offer a lifetime solution to a weight problem ... GUESS WHAT! ... We just described the QUICK WEIGHT LOSS PROGRAM." (Exhibit B)
(c) "‘Now that I have reached my goal I will be able to maintain my weight...’" (Exhibit C)

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph six, and others in advertise-
Complaint

ments or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that:

(a) QWLC-GA. customers typically are successful in reaching their weight loss goals and maintaining their weight loss either long-term or permanently;
(b) QWLC-GA. customers typically are successful in maintaining their weight loss achieved under the QWLC-GA. diet program; and
(c) QWLC-GA. customers typically are successful in reaching their weight loss goals.

PAR. 8. Through the use of the statements contained in the advertisements referred to in paragraph six, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraph seven respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 9. In truth and in fact, at the time respondents made the representations set forth in paragraph seven, they did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, respondents' representation as set forth in paragraph eight was and is false and misleading.

PAR. 10. The advertisements referred to in paragraph five, attached hereto as Exhibits B-E, contain the following statements:

(a) "SIX WEEKS $66" (Exhibit B)
(b) "$12 PER WEEK" (Exhibits C, D)
(c) "ONLY $11 PER WEEK" (Exhibits E)

PAR. 11. Through the use of the statements contained in the advertisements referred to in paragraph ten, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that the advertised price is the only cost associated with losing weight on the QWLC-GA. weight loss program.

PAR. 12. In truth and in fact, the advertised price is not the only cost associated with losing weight on the weight loss program. There are substantial, additional mandatory expenses associated with participation in the QWLC-GA. weight loss program. Therefore,
respondents' representation as set forth in paragraph eleven was and is false and misleading.

PAR. 13. In advertising the price of the QWLC-GA. weight loss program, respondents have failed to disclose to consumers the existence and amount of all mandatory expenses associated with participation in the QWLC-GA. weight loss program. This fact would be material to consumers in their purchase or use decisions regarding the weight loss program. In light of respondents' representation as set forth in paragraph eleven that the quoted price represents the only cost associated with the QWLC-GA. weight loss program, said failure to disclose was and is a deceptive practice.

PAR. 14. The advertisement referred to in paragraph five, attached hereto as Exhibit B, contains the following statements:

(a) "LOSE UP TO 6 LBS PER WEEK"

PAR. 15. Through the use of the statements contained in the advertisements referred to in paragraph fourteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that an appreciable number of consumers following the QWLC-GA. weight loss program typically lose weight at an average rate of six pounds per week.

PAR. 16. Through the use of the statements contained in the advertisements referred to in paragraph fourteen, and others in advertisements or promotional materials not specifically set forth herein, respondents have represented, directly or by implication, that at the time they made the representation set forth in paragraph fifteen, respondents possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 17. In truth and in fact, at the time respondents made the representation set forth in paragraph fifteen, they did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, respondents' representation as set forth in paragraph sixteen was and is false and misleading.

PAR. 18. In the routine course and conduct of their business, respondents have provided their customers with diet protocols that required said customers, inter alia, to come in to one of respondents' weight loss centers three to six times a week for monitoring of their progress, including weighing in. In the course of regularly
ascertaining weight loss progress, respondents, in some instances, have been presented with weight loss results indicating that customers have been losing weight significantly in excess of their projected goals, which is an indication that they may not have been consuming all of the food prescribed by their diet protocol. Such conduct could, if not corrected promptly, result in health complications.

PAR. 19. When presented with the weight loss results described in paragraph eighteen, respondents, on many occasions, have not disclosed to the customers that failing to follow the diet protocol and consume all of the calories prescribed could result in health complications. This fact would be material to customers in their purchase or use decisions regarding the weight loss program. In light of respondents' practice of monitoring customers, said failure to disclose was and is a deceptive practice.

PAR. 20. The acts and practices of respondents as alleged in this complaint constitute 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.
EXHIBIT A

1-20-91
SUNDAY

QUICK WEIGHT LOSS CENTERS

SPECIAL OFFER
ENROLL NOW
RECEIVE ONE MONTH FREE

WEIGHT LOSS
EAT AT ANY RESTAURANT YOU CHOOSE
SHARE HOME COOKED MEALS WITH YOUR FAMILY
LOSE WEIGHT WHILE EATING ALL THE FOOD YOU WANT

QUICK WEIGHT LOSS CENTERS

CAROL LYLES
Lost 90 lbs
and 14 Dress Sizes

CALL FOR AN APPOINTMENT
WHAT MAKES A WEIGHT LOSS PROGRAM GREAT?*

“I LOST 43 LBS. IN JUST 15 WEEKS”

“I needed help! I couldn’t do it on my own. It was easy to follow and I wasn’t hungry. The nice part was I could eat regular food & still lose.”

JEAN HALL

LOSE UP TO 6 LBS PER WEEK

START TODAY SIX WEEKS $66*

QUICK WEIGHT LOSS CENTERS
BUCKHEAD/MIDTOWN 355-3527
SANDY SPRINGS 258-7877
DUNWOODY 988-9300
EAST COBB 988-9300
SOUTHLAKE 988-3286

Hours: 8 a.m.-7 p.m. Daily. Sat. 9 a.m.-1 p.m.

*New Enrollees Only. Excludes All Previous & Supplements
WEIGHT LOSS
THAT WORKS
BETTY STRATTON
Tipton, GA
LOST
30
LBS.
This program
provides
GUIDANCE
ATTENTION
RESULTS
LOW, LOW
SERVICE FEES
$12 PER
WEEK
on a program basis
"Now that I have
reached my goal I will
be able to maintain my
weight because I have
learned to prepare
great dietary meals
and how to order in
restaurants."
QUICK WEIGHT
LOSS CENTERS
Roswell 998-5851
Sandy Springs 259-7877
Buckhead/Midtown 355-3627
Marietta 859-0131
For Other Locations
Call 509-8400
CALL FOR A FREE CONSULTATION

EXHIBIT C
EXHIBIT D

Losing weight makes sense when you keep it off.
Mother & Daughter
Lost 99 lbs in 15 weeks
"This weight loss program has changed our eating habits."

Lose all the weight you can
Low, low service fees
Only $12* per week.

On a program basis
Call for a FREE consultation

Quick Weight Loss Centers
Sandy Springs 256-7877
5920 Roswell Rd.
Parkside Center
Buckhead 355-3627
2221 Peachtree Rd.
Roswell 998-5851
1355 Old Alabama Rd.

*Exclusive of supplements and profiling

Exhibit D
EXHIBIT E

LOSE WEIGHT
ONLY
$11*
PER WEEK

• NO GIMMICKS
• FABULOUS RESULTS
• ONE TO ONE SUPERVISION
• NO FASTING OR LIQUID DIET PROGRAMS
• NO STRENUOUS EXERCISE
• FAST & SAFE WEIGHT LOSS!

CALL FOR FREE CONSULTATION

QUICK WEIGHT LOSS CENTERS
BUCKHEAD/MIDTOWN 355-3527 ROSWELL 998-5851
SANDY SPRINGS 358-7877 STONE MOUNTAIN 299-7349
DUNWOODY 888-9300 MARIETTA 889-0131
EAST COBB 988-9300 LILBURN/GWINNETT 279-1331
SOUTHLAKE 968-9266

Hours: 9am-7pm Daily Sat, 9am-1pm.
*New Enrollments only, 6 week minimum. Exclusive of protein & supplements.
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 of 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 violation of the Federal Trade Commission Act; and

The respondents, their attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of 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, 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 had violated the said Act, and that 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 sixty (60) 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 QWLC-GA. is a corporation organized, existing and formerly doing business under and by virtue of the laws of the State of Georgia, with its offices and principal place of business located at 1401 Johnson Ferry Road, Suite 276, Marietta, Georgia.

2. Respondent Don Gearheart is an individual with his principal residence located at 9520 East Pinnacle Pear Road, Scottsdale, Arizona.

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

DEFINITIONS

For the purposes of this order, the following definitions shall apply:

A. "Competent and reliable scientific evidence" shall mean those tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that have 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;

B. "Weight loss program" shall mean any program designed to aid consumers in weight loss or weight maintenance;

C. A "broadcast medium" shall mean any radio or television broadcast, cablecast, home video, or theatrical release;

D. For any order-required disclosure in print media to be made "clearly and prominently," or in a "clear and prominent manner," it must be given both in the same type style and in: (1) twelve point type where the representation that triggers the disclosure is given in twelve point or larger type; or (2) the same type size as the representation that triggers the disclosure where that representation is given in a type size that is smaller than twelve point type. For any order-required disclosure given orally in a broadcast medium to be made "clearly and prominently," or in a "clear and prominent manner," the disclosure must be given at the same volume and in the same cadence as the representation that triggers the disclosure;

E. A "short broadcast advertisement" shall mean any advertisement of thirty seconds or less duration made in a broadcast medium.

I.

It is ordered, That respondents QWLC-Ga., a corporation, its successors and assigns, and its officers, and Don K. Gearheart, individually and as an officer of said corporation, and respondents' agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, or sale of any weight loss program, in or affecting commerce, as "commerce" is defined in
the Federal Trade Commission Act, do forthwith cease and desist from:

A. Making any representation, directly or by implication, about the success of participants on any weight loss program in achieving or maintaining weight loss or weight control unless, at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation, provided, further, that for any representation that:

(1) Any weight loss achieved or maintained through the weight loss program is typical or representative of all or any subset of participants of respondents' program, said evidence shall, at a minimum, be based on a representative sample of:

(a) All participants who have entered the program, where the representation relates to such persons; provided, however, that the required sample may exclude those participants who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or

(b) All participants who have completed a particular phase of the program or the entire program, where the representation only relates to such persons;

(2) Any weight loss is maintained long-term, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of at least two years from their completion of the active maintenance phase of respondents' program or earlier termination, as applicable; and

(3) Any weight loss is maintained permanently, said evidence shall, at a minimum, be based upon the experience of participants who were followed for a period of time after completing the program that is either:

(a) Generally recognized by experts in the field of treating obesity as being of sufficient length for predicting that weight loss will be permanent, or

(b) Demonstrated by competent and reliable survey evidence as being of sufficient duration to permit such a prediction.
B. Representing, directly or by implication, except through endorsements or testimonials referred to in paragraph I.E. herein, that participants of any weight loss program have successfully maintained weight loss, unless respondents disclose, clearly and prominently, and in close proximity to such representation, the statement: “For many dieters, weight loss is temporary”; provided, further, that respondents shall not represent, directly or by implication, that the above-quoted statement does not apply to dieters in respondents’ weight loss program; provided, however, that a mere statement about the existence, design, or content of a maintenance program shall not, without more, be considered a representation that participants of any weight loss program have successfully maintained weight loss.

C. Representing, directly or by implication, except through short broadcast advertisements referred to in paragraph I.D. herein, and except through endorsements or testimonials referred to in paragraph I.E. herein, that participants on any weight loss program have successfully maintained weight loss, unless respondents disclose, clearly and prominently, and in close proximity to such representation, the following information:

(1) The average percentage of weight loss maintained by those participants;

(2) The duration over which the weight loss was maintained, measured from the date that participants ended the active weight loss phase of the program, provided, further, that if any portion of the time period covered includes participation in a maintenance program(s) that follows active weight loss, such fact must also be disclosed; and

(3) If the participant population referred to is not representative of the general participant population for respondents’ programs:

(a) The proportion of the total participant population in respondents’ programs that those participants represent, expressed in terms of a percentage or actual numbers of participants, or

(b) The statement: “[Quick Weight Loss Centers] makes no claim that this [these] result[s] is [are] representative of all participants in the [Quick Weight Loss Centers] program.”

provided, further, that compliance with the obligations of this paragraph I.C. in no way relieves respondents of the requirement under paragraph I.A. of this order to substantiate any representation
about the success of participants on any weight loss program in maintaining weight loss.

D. Representing, directly or by implication, in short broadcast advertisements, that participants of any weight loss program have successfully maintained weight loss, unless respondents:

(1) Include, clearly and prominently, and in immediate conjunction with such representation, the statement: “Check at our centers for details about our maintenance record”;

(2) For a period of time beginning with the date of the first broadcast of any such advertisement and ending no sooner than thirty days after the last broadcast of such advertisement, comply with the following procedures upon the first presentation of any form asking for information from a potential client, but in any event before such person has entered into any agreement with respondents:

(a) Give to each potential client a separate document entitled “Maintenance Information,” which shall include all the information required by paragraph I.B. and subparagraphs I.C. (1)-(3) of this order and shall be formatted in the exact type size and style as the example form below, and shall include the heading (Helvetica 14 point bold), lead-in (Times Roman 12 point), disclosures (Helvetica 14 point bold), acknowledgment language (Times Roman 12 point), and signature block therein; provided, further, that no information in addition to that required to be included in the document required by this subparagraph I.D (2) shall be included therein;

MAINTENANCE INFORMATION

You may have seen our recent ad about maintenance success. Here’s some additional information about our maintenance record.

[Disclosure of maintenance statistics goes here]

For many dieters, weight loss is temporary.

I have read this notice. ________________________________

(Client Signature) (Date)

(b) Require each potential client to sign such document; and

(c) Give each client a copy of such document; and
(3) Retain in each client file a copy of the signed maintenance notice required by this paragraph; provided, further, that:

(i) Compliance with the obligations of this paragraph I.D. in no way relieves respondents of the requirement under paragraph I.A. of this order to substantiate any representation about the success, of participants on any weight loss program in maintaining weight loss;

(ii) Respondents must comply with both paragraph I.D. and paragraph I.C. of this order if respondents include in any such short broadcast advertisement a representation about maintenance success that states a number or percentage, or uses descriptive terms that convey a quantitative measure such as “most of our customers maintain their weight loss long-term”;

provided, however, that the provisions of paragraph I.D. shall not apply to endorsements or testimonials referred to in paragraph I.E. herein.

E. Using any advertisement containing an endorsement or testimonial about weight loss success or weight loss maintenance success by a participant or participants of respondents’ weight loss programs if the weight loss success or weight loss maintenance success depicted in the advertisement is not representative of what participants of respondents' weight loss programs generally achieve, unless respondents disclose, clearly and prominently, and in close proximity to the endorser's statement of his or her weight loss success or weight loss maintenance success:

(1) What the generally expected success would be for QWLC-Ga. customers in losing weight or maintaining achieved weight loss; provided, however, that the generally expected success for QWLC-GA. customers may exclude those customers who dropped out of the program within two weeks of their entrance, or who were unable to complete the program due to illness, pregnancy, or change of residence; or

(2) One of the following statements:

(a) “You should not expect to experience these results.”
(b) “This result is not typical. You may not do as well.”
(c) “This result is not typical. You may be less successful.”
(d) “______’s success is not typical. You may not do as well.”
(e) "______’s experience is not typical. You may achieve less."
(f) "Results not typical."
(g) "Results not typical of program participants."

provided, further, that if the endorsements or testimonials covered by this paragraph are made in a broadcast medium, any disclosure required by this paragraph must be communicated in a clear and prominent manner, and in immediate conjunction with the representation that triggers the disclosure;

provided, however, that:

(i) For endorsements or testimonials about weight loss success, respondents can satisfy the requirements of subparagraph I.E. (1) by accurately disclosing the generally expected success in the following phrase: "Quick Weight Loss Centers, Inc. participants lose an average of ___ pounds over an average ___-week treatment period"; and

(ii) If the weight loss success or weight loss maintenance success depicted in the advertisement is representative of what participants of a group or subset clearly defined in the advertisement generally achieve, then, in lieu of the disclosures required in either subparagraphs I.E. (1) or (2) herein, respondents may substitute a clear and prominent disclosure of the percentage of all of respondents’ customers that the group or subset defined in the advertisement represents.

F. Representing, directly or by implication, that the price at which any weight loss program can be purchased is the only cost associated with losing weight on that program, unless such is the case.

G. Representing, directly or by implication, the price at which any weight loss program can be purchased, unless respondents disclose, clearly and prominently, either:

(1) In close proximity to such representation, the existence and amount of all mandatory fees associated with the program offered; or

(2) In immediate conjunction with such representation, one of the following statements:
(a) "Plus the cost of [list of products or services that participants must purchase at additional cost]"; or
(b) "Purchase of [list of products or services that participants must purchase at additional cost] required";

provided, further, that in broadcast media, if the representation that triggers any disclosure required by this paragraph is oral, the required disclosure must also be made orally.

H. Failing to disclose over the telephone, for a period beginning with the date of any advertisement of the price at which any weight loss program can be purchased and ending no sooner than 180 days after the last dissemination of such advertisement, to consumers who inquire about the cost of any weight loss program, or are told about the cost of any weight loss program, the existence and amount of any and all mandatory costs or fees associated with participation in the program; provided, however, that respondents may satisfy this requirement by directing their weight loss centers to disclose the information, by providing the center personnel with suggested language to be used when responding to phone inquiries and by making their best efforts to ensure compliance with their directive to disclose price information over the telephone.

I. Representing, directly or by implication, that prospective participants in respondents' weight loss programs will reach a specified weight within a specified time period, unless at the time of making such representation, respondents possess and rely upon competent and reliable scientific evidence substantiating the representation.

J. Representing, directly or by implication, the average or typical rate or speed at which any participant on any weight loss program has lost or will lose weight, unless at the time of making any such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

K. Failing to disclose, clearly and prominently, either (1) to each participant who, after the first two weeks on the program, is experiencing average weekly weight loss that exceeds two percent (2%) of said participant's initial body weight, or three pounds, whichever is less, for at least two consecutive weeks, or (2) in writing to all participants when they enter the program, that failure to follow the program protocol and eat all of the food recommended may involve the risk of developing serious health complications.
L. Misrepresenting, directly or by implication, the performance, efficacy, or safety of any weight loss program.

II.

*It is further ordered,* That respondents shall notify the Commission at least thirty (30) days prior to the effective date of any proposed change in the corporate respondent such as dissolution, assignment, or sale resulting in the emergence of a successor corporation(s), the creation or dissolution of subsidiaries, or any other change in the corporation(s) that may affect compliance obligations arising out of this order.

III.

*It is further ordered,* That respondent Don K. Gearheart shall promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. In addition, for a period of three (3) years from the service date of this order, the individual respondent shall promptly notify the Commission of each affiliation with a new business or employment whose activities relate to the advertising, promotion, offering for sale, or sale of any weight loss program. When so required under this paragraph, each such notice shall include the individual respondent’s new business address and a statement of the nature of the business or employment in which the individual respondent is newly engaged, as well as a description of the individual respondent’s duties and responsibilities in connection with the business or employment. The expiration of the notice provision of this paragraph shall not affect any other obligation arising under this order.

IV.

*It is further ordered,* That for three (3) years after the last date of dissemination of any representation covered by this order, respondents, or their successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:
A. All materials possessed and relied upon to substantiate any such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

V.

*It is further ordered*, That respondents shall distribute a copy of this order to each of their officers, agents, representatives, independent contractors and employees who are involved in the preparation and placement of advertisements or promotional materials or in communication with customers or prospective customers or who have any responsibilities with respect to the subject matter of this order; and, for a period of three (3) years from the date of entry of this order, distribute same to all future such officers, agents, representatives, independent contractors and employees.

VI.

*It is further ordered*, That respondents shall, within sixty (60) days after the date of service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

Commissioner Owen was recorded as voting in the affirmative, but dissenting as to the exception requiring full numerical disclosures involving quantitative weight loss maintenance claims in short radio and TV ads.