the hormone Melatonin; (9) are effective in treating pain caused by conditions such as arthritis, bursitis, and sciatica; and (10) are effective in stimulating growth in plants causing them to grow 20 to 40 percent faster.

The complaint further alleges that proposed respondents represented that studies prove that proposed respondents' magnetic products are effective in the mitigation and treatment of pain caused by conditions such as arthritis, bursitis, and sciatica. The proposed complaint alleges that respondents lack substantiation for this claim.

The proposed order contains provisions designed to remedy the violations charged and to prevent proposed respondents from engaging in similar acts in the future.

Paragraph I of the proposed order prohibits proposed respondents from representing that their magnetic therapy products (defined as any product that contains a magnet of any kind purporting to relieve the symptoms of, treat, mitigate, cure, relieve, heal or alleviate any disease or health condition): (1) Are effective in the treatment of cancer; (2) cure liver disease or other diseased internal organs; (3) are effective in the reduction of cholesterol deposits in the arteries and veins or normalizing the circulatory system; (4) are effective in breaking up kidney or gallbladder stones or in the prevention of further formation of stones; (5) are effective in the mitigation or treatment of infectious diseases, urinary infection, gastric ulcers, dysentery, diarrhea, skin ulcers, or bed sores; (6) prevent or reverse heart disease, circulatory disease, arthritis, auto-immune illness, neuro-degenerative disease, or allergies; (7) are effective in the mitigation or treatment of arthritis, bursitis, tendinitis, sprains, strains, sciatica, lameness, navicular, and foot growth problems in animals; (8) stimulate the body's production of the hormone Melatonin; (9) are effective in the mitigation or treatment of pain caused by conditions such as arthritis, bursitis, and sciatica; or (10) are effective in stimulating significant growth in plants, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

Paragraph II of the proposed order prohibits proposed respondents from misrepresenting the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research.

Paragraph III of the proposed order prohibits proposed respondents from making any representation about the health benefits, performance, or efficacy of any product or program, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

Paragraph IV of the proposed order prohibits proposed respondents from: (1) Disseminating to any distributor any material containing any claims prohibited by the order; and (2) authorizing any distributor to make any representations prohibited by the order. In addition, Paragraph IV requires proposed respondents to (1) send a notice to distributors with whom they have done business since January 1, 1998, announcing their settlement with the FTC, and requiring distributors to submit all proposed promotional and marketing materials to proposed respondents for review prior to their dissemination; (2) send, for a period of three years, the same notice to future distributors with whom proposed respondents do business; (3) monitor distributors' promotional activities; (4) terminate, as appropriate, the right of any distributor to market PSH products or programs who continues to use promotional materials or make oral representations that violate the order, (5) provide the FTC all relevant information about the distributors who continue to engage in activities that violate the order, and (6) review all marketing materials before distributors disseminate them to the public.

Paragraph V contains record keeping requirements for the notification letters sent to distributors, communications between respondents and distributors referring or relating to the requirements of Paragraph IV of the order, and any other materials created pursuant to Paragraph IV.

Paragraph VI of the proposed order contains record keeping requirements for materials that substantiate, qualify, or contradict covered claims and requires the proposed respondents to keep and maintain all advertisements and promotional materials containing any representation covered by the proposed order. In addition, Paragraph VII requires distribution of a copy of the consent decree to current and future officers and agents. Further, Paragraph VIII provides for Commission notification upon a change in the corporate respondents. Paragraph IX requires proposed respondent Sande R. Caplin to notify the Commission when he discontinues his current business or employment and of his affiliation with any new business or employment. The proposed order, in Paragraph X, also requires the filing of a compliance report.

Finally, Paragraph XI of the proposed order provides for the termination of the order after twenty years under certain circumstances.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the agreement and proposed order, or to modify in any way their terms.

By direction of the Commission.

Benjamin I. Berman,

Acting Secretary.

[FR Doc. 99–16710 Filed 6–30–99; 8:45 am]

BILLING CODE 6750–01–M

FEDERAL TRADE COMMISSION

[File No. 9823182]

Melinda R. Sneed et al.; Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed consent agreement.

SUMMARY: The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices or unfair methods of competition. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaint that accompanies the consent agreement and the terms of the consent order—embodied in the consent agreement—that would settle these allegations.

DATES: Comments must be receive on or before August 30, 1999.

ADDRESSES: Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: Judith A. Shepherd, Dallas Regional Office, Federal Trade Commission, 1999 Bryan Street, Suite 2150, Dallas, TX 75201, (214) 979–9383.

SUPPLEMENTARY INFORMATION: Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46, and Section 2.34 of the Commission's Rules of Practice, 16 CFR 2.34, notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been field with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An

electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for June 24, 1999), on the World Wide Web, at ''http://www.ftc.gov/os/actions97.htm.'' A paper copy can be obtained from the FTC Public Reference Room, Room H–130, 600 Pennsylvania Avenue, NW, Washington, DC. 20580, either in person or by calling (202) 326–3627.

Public comment is invited. Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580. Two paper copies of each comment should be filed, and should be accompanied, if possible, by a 3½ inch diskette containing an electronic copy of the comment. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii)).

Analysis of Proposed Consent Order To Aid Public Comment

The Federal Trade Commission has accepted, subject to final approval, an agreement to a proposed Consent Order (''proposed order'') from Melinda Sneed and John Sneed, doing business as Arthritis Pain Care Center.

The proposed consent order has been placed on the public record for sixty (60) days for the reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

This matter concerns advertisements on the Internet, audio cassettes, and print advertisements provided to consumers and prospective distributors, for a product called ''CMO,'' described as a form of cetylmyristoleate, purportedly useful in the treatment of cure of arthritis and other diseases. CMO is said to be a fatty acid ester, extracted from beef tallow, which regulates the immune system. Purportedly, the substance, in one or two courses of treatment, each lasting less than three weeks, permanently relives the symptoms of osteoarthritis and rheumatoid arthritis and reverses the effects of the disease. CMO is also claimed to be useful for the treatment, mitigation, prevention, and cure of most forms of arthritis and a number of other diseases.

The Commission's complaint charges that the proposed respondents engaged in deceptive advertising in violation of Sections 5 and 12 of the FTC Act by making unsubstantiated claims that their CMO products: (1) Are effective in the mitigation, treatment, prevention, and cure of most forms of arthritis, including rheumatoid arthritis and osteoarthritis; (2) provide permanent relief from symptoms of arthritis, including pain, impaired mobility, swelling, and joint deformities; (3) are as effective as or superior to prescription medications in the treatment of arthritis and the relief of arthritis symptoms; (4) are completely safe and without adverse side effects; and (5) are effective in the treatment of multiple sclerosis, lupus, emphysema, chronic bronchitis, silicone breast disease, cancer, benign prostate hyperplasia, hypertention, hypotension, and cardiac arrhythmia.

The complaint further alleges that the proposed respondents made false claims that (1) clinical studies prove that their CMO products are a safe and effective treatment for arthritis; and that (2) studies were conducted at the national Institutes of Health that prove that CMO reverses the effects of arthritis.

The complaint further alleges that proposed respondents engaged in a deceptive practice by representing that John Sneed is an endorser of their CMO products, without adequately disclosing that Mr. Sneed, at the time of his endorsement, had a material connection with respondents' CMO products in that he had a financial interest in Arthritis Pain Care Center and received a financial benefit from respondents' sales of the product.

The proposed order contains provisions designed to remedy the violations charged and to prevent proposed respondents from engaging in similar acts in the future.

Paragraph 1 of the proposed order prohibits proposed respondents from making any representation that CMO or any similar product: (1) Is effective in the mitigation, treatment, prevention, or cure of arthritis, including rheumatoid arthritis and osteoarthritis; (2) provides permanent relief from symptoms of arthritis, including pain, impaired mobility, swelling, or joint deformities; (3) is as effective or as superior to prescription medications in the treatment of arthritis or the relief or arthritis symptoms; (4) is completely safe or has no adverse side effects; or (5) is effective in the treatment of multiple sclerosis, lupus, emphysema, chronic bronchitis, silicone breast disease, cancer, benign prostate hyperplasia, hypertension, hypotension, or cardiac arrhythmia, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

Paragraph II of the proposed order prohibits proposed respondents from making any representations about the performance, safety, efficacy, or health benefits of CMO or any other food, drug, dietary supplement, or program, unless the claims are substantiated by competent and reliable scientific evidence.

Paragraph III of the proposed order provides that proposed respondents are not prohibited from making representations which are specifically permitted by regulations of the Food and Drug Administration pursuant to the Nutrition Labeling and Education Act of 1990. Paragraph IV of the proposed order provides that proposed respondents are not prohibited from making representations for a drug that are permitted under tentative final or final standards issued by the Food and Drug Administration or under any new drug application approved by that agency.

Paragraph V of the proposed order prohibits proposed respondents from misrepresenting the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research.

Paragraph VI of the proposed order prohibits proposed respondents from representing that the experience represented by any user testimonial or endorsement of any product or program represents the typical or ordinary experience of members of the public who use the product or program, unless the representation is true, and competent and reliable scientific evidence substantiates that claim, or respondents clearly and prominently disclose either: (1) What the generally expected results would be for users or the product or program; or (2) the limited applicability of the endorser's experience to what consumers may generally expect to achieve, that is, that consumers should not expect to experience similar results.

Paragraph VII of the proposed order requires proposed respondents to disclose clearly and prominently, and in close proximity to the endorsement, any material connection between a person providing an endorsement of any product or program and any respondent or other individual or entity manufacturing, labeling, advertising, promoting, offering for sale, selling, or distributing such product or program. A ''material connection'' is a relationship that might materially affect the weight or credibility of the endorsement and

would not reasonably be expected by consumers.

Paragraph VIII of the proposed order requires that proposed respondents: (1) Not disseminate to any distributor any material containing any representations prohibited by the order; (2) not authorize any distributor to make any representations prohibited by the order; (3) send a required notice to each distributor with whom proposed respondents have done business since January 1, 1996, requesting that the distributor cease using any advertising or promotional materials containing unsubstantiated claims for CMO, requesting distributors not to make unsubstantiated oral representations, informing the distributor of this settlement, attaching a copy of this proposed complaint and order, and not including any other documents in the mailing; (4) for a period of three (3) years following service of the order, send the required notice to each distributor who has not previously received the notice; the notices shall be sent within one week of the first shipment of respondents' products to the distributor; (5) require distributors to submit to proposed respondents all advertising and promotional materials and claims for any products or programs covered by the order for review prior to their dissemination and publication, and not authorize distributors to disseminate materials and claims unless they comply with the order, or furnishing to distributors marketing materials that do not contain representations prohibited by the order and requiring the distributors to submit for review all advertising and promotional materials for a particular product covered by the order that contain representations that are not substantially similar to the materials most recently provided by proposed respondents; and (6) monitor distributors' advertising and promotional activities, immediately terminate the right of any distributor who disseminates advertisements or marketing material or makes oral representations prohibited by the order, and immediately provide information to the Federal Trade Commission about any such distributor and the materials used. ''Distributor'' is defined in the proposed order to mean any purchaser or transferee of a product covered by the order who acquires product from proposed respondents, with or without consideration, and who sells, or who has sold, such product to other sellers or to consumers, including individuals, retail stores, or catalogs. Paragraph IX of the proposed order requires proposed respondents to retain for five (5) years after the last correspondence to which they pertain and to make available to the Federal Trade Commission on request, copies of all notification letters and other communications with distributors relating to the requirements of Paragraph VIII.

Paragraph X of the proposed order contains record keeping requirements for materials that substantiate, qualify, or contradict covered claims and requires proposed respondents to keep and maintain all advertisements and promotional materials containing any representation covered by the proposed order. In addition, Paragraph XI requires distribution of a copy of the consent decree to current and future officers and agents. Further, Paragraph XII requires the filing of a compliance report.

Finally, Paragraph XIII of the proposed order provides for the termination of the order after twenty years under certain circumstances.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the agreement and proposed order, or to modify in any way their terms.

By direction of the Commission.

Benjamin I. Berman,

Acting Secretary.

[FR Doc. 99–16706 Filed 6–30–99; 8:45 am]

BILLING CODE 6750–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration on Aging

Public Information Collection Requirement Submitted to the Office of Management and Budget (OMB) for Clearance

AGENCY: Administration on Aging, HHS.

The Administration on Aging (AoA), Department of Health and Human Services, is submitting to the Office of Management and Budget (OMB) the following proposal for the collection of information in compliance with the Paperwork Reduction Act of 1995 (Pub. L. 96–511):

Title of Information Collection: State Program Report (SPR): Reporting Requirements for Titles III and VII of the Older Americans Act.

Type of Request: Extension of currently approved collections.

Use: To extend the expiration date of the currently approved information collection format without any change in substance or the method of collection. This format conforms to the requirements of the Older Americans Act, as amended.

Frequency: Annual.

Respondents: State and Territorial Units on Aging.

Estimated Number of Respondents: 50 States, the District of Columbia, the U.S. Virgin Islands, Puerto Rico, and the U.S. territories.

Total Estimated Burden Hours: 141,132.

Additional Information or Comments: The Administration on Aging is submitting to the Office of Management and Budget for approval an extension of the existing information collection format for state programs administered under the Older Americans Act. The AoA last announced reporting specifications for the current format in the **Federal Register** on February 11, 1999. There was one written response to that announcement. AoA responded to the concern raised in the comment about flexibility by continuing to be responsive to specific state requests for extensions and waivers.

The Office of Management and Budget approved use of the current collection instrument subject to the following conditions:

''For the FY 1996 SPR, AoA is responsive to state-specific problems in meeting the November 30, 1996 deadline (as discussed in the State of New York's public comments to OMB dated July 16, 1996 and August 16, 1996). Particularly for large complex states, this deadline may be challenging, and a month extension may make a considerable difference in the quality of data submitted by local units. In addition, the next submission for OMB review should include an analysis of state compliance with the November deadline. If a significant number of states persist in missing this deadline and request extensions, the AoA should consider alternatives to this deadline, e.g. a month extension or a statutory amendment extending its January deadline;

In response to numerous comments (e.g. the State of California, the State of Wisconsin, and the State of New Mexico), AoA allows states additional flexibility by providing limited state-specific extensions of the compliance deadline for the FY 1997 SPR, based upon criteria outlined in a future state policy transmittal. Criteria for granting such an extension should include submission of a state plan for meeting the SPR requirements in the future and evidence that the state has made reasonable progress in fulfilling the SPR objectives to date. In drafting this transmittal, the AoA must consult with state aging agency associations such as