

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of

ESRIM VE SHEVA HOLDING CORPORATION, a corporation, sometimes doing business as
GADGET UNIVERSE, and
ALEXANDER ELNEKAVEH, individually and as an officer of the corporation.

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that Esrin Ve Sheva Holding Corporation, sometimes doing business as Gadget Universe, and Alexander Elnekaveh, individually and as an officer of the corporation ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1a. Respondent Esrin Ve Sheva Holding Corp. is a New York corporation with its principal office or place of business at 9408 Owensmouth Ave., Chatsworth, California 91311.

1b. Respondent Alexander Elnekaveh is an officer of the corporate respondent. Individually or in concert with others he formulates, directs, or controls the policies, acts, or practices of the corporation, including the acts or practices alleged in this complaint. His principal office or place of business is the same as that of Esrin Ve Sheva Holding Corp.

2. Respondents have advertised, offered for sale, sold, and distributed products to the public, including Super FuelMAX, an automotive aftermarket fuel-line magnet device.

3. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

4. Respondents have disseminated or have caused to be disseminated advertisements for the Super FuelMAX, including but not necessarily limited to the attached Exhibits A, B, and C. These advertisements contain the following statements:

A. Finding the world's most extraordinary products for you is not my job - it's my mission. . . . No matter where you see our unique products, I've personally selected each one from the 1000's I discover around the globe. Here's one the big oil companies don't want you to know about: Super FuelMAX on page 52 will cut your fuel costs by 27% and reduce harmful emissions by up to 40%. . . .

Sincerely,
Alex
President, Gadget Universe

[Exhibit A (catalog ad)]

B. FUEL BEFORE
FUEL AFTER

[graphical depiction of fuel molecules lining up in straight columns and rows after passing through Super FuelMax]

SAVE UP TO 27% ON GAS!!

[Exhibit B (catalog ad)]

C. Fight the War Against Rising Gas Prices - Reduce Your Fuel Costs by An Amazing 27% with Super FuelMAX, and Keep the Air Cleaner At the Same Time

I refuse to be at the mercy of OPEC! So, I searched for the best product I could find to save money on fuel for my gas-guzzling SUV. I wanted something I could install myself, without tools, that would also guarantee to boost engine performance. The Super FuelMAX came through with flying colors. It clamps onto my fuel line, and two powerful neodymium conductors use the scientific principal of magnetic resonance to give me better fuel burn. A certified EPA laboratory reports an amazing 27% in increased mileage and 42% reduction in harmful pollutants. Since the Super FuelMAX is used by trucking fleets and transportation departments around the world, it's exactly what I need to reduce my fuel costs today without worrying about how high they'll raise oil prices in the Middle East tomorrow.

[Exhibits B (catalog ad) and C (Internet ad)]

5. Through the means described in Paragraph 4, respondents have represented, expressly or by implication, that, when applied to the fuel line in a motor vehicle, Super FuelMAX:

- A. causes fuel molecules to line up in straight columns and rows;
- B. improves fuel burn through magnetic resonance;
- C. reduces fuel consumption;
- D. reduces fuel consumption by 27% or up to 27%;
- E. reduces harmful emissions or pollutants; and
- F. reduces harmful emissions or pollutants by 42% or up to 40%.

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

7. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 5, at the time the representations were made. Therefore, the representation set forth in Paragraph 6 was, and is, false or misleading.

8. Through the means described in Paragraph 4, respondents have represented, expressly or by implication, that tests performed at a certified EPA laboratory prove that Super FuelMAX:

- A. increases mileage by 27%; and
- B. reduces harmful pollutants by 42%;

9. In truth and in fact, tests performed at a certified EPA laboratory do not prove that Super FuelMAX:

- A. increases mileage by 27%; and
- B. reduces harmful pollutants by 42%;

Therefore, the representations set forth in Paragraph 8 were, and are, false or misleading.

10. Through the means described in Paragraph 4, respondents have represented, expressly or by implication, that a testimonial from respondent Alexander Elnkaveh appearing in the advertisements for Super FuelMAX reflects:

- A. Elnkaveh's actual findings and experience with the product; and
- B. the typical or ordinary experience of members of the public who use the product.

11. In truth and in fact, a testimonial from respondent Alexander Elnkaveh appearing in the advertisements for Super FuelMAX does not reflect:

- A. Elnkaveh's actual findings and experience with the product; and
- B. the typical or ordinary experience of members of the public who use the product.

Therefore, the representations set forth in Paragraph 10 were, and are, false or misleading.

12. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices, in or affecting commerce, in violation of Section 5(a) of the Federal Trade Commission Act.

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

By the Commission.

Donald S. Clark
Secretary

SEAL: