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U.S. DISTRICT COURT DISTRICT OF WYOMING 1915 MAY 13 AM 10 54 STEPHAM HARRIS, CLERK CHEYENNE

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF WYOMING

FEDERAL TRADE COMMISSION,

Plaintiff,

V.

Facsimile: 307-772-2123

mark.klaassen@usdoj.gov

COORGA NUTRACEUTICALS CORP., a corporation, and

GARFIELD COORE, individually and as an officer of COORGA NUTRACEUTICALS CORP.,

Defendants.

Case No. /5 - (v - 72 - 5)

COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF

COMPLAINT

Plaintiff, the Federal Trade Commission ("Commission" or "FTC"), for its Complaint

alleges:

1. The FTC brings this action under Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), to obtain permanent injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants' acts or practices, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52, in connection with the labeling, advertising, marketing, distribution, and sale of the Grey Defence dietary supplement that purportedly reverses or prevents the formation of gray hair.

JURISDICTION AND VENUE

- 2. This Court has subject matter jurisdiction pursuant to 15 U.S.C. §§ 45(a) and 53(b), and 28 U.S.C. §§ 1331, 1337(a), and 1345.
- 3. Venue is proper in this district under 28 U.S.C. § 1391(b), (c), and (d), and 15 U.S.C. § 53(b).

PLAINTIFF

- 4. Plaintiff FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces Section 12 of the FTC Act, 15 U.S.C. § 52, which prohibits false advertisements for food, drugs, devices, services, or cosmetics in or affecting commerce.
- 5. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), authorizes the FTC to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies.

DEFENDANTS

- 6. Defendant COORGA Nutraceuticals Corporation ("COORGA") is a Wyoming corporation with its principal place of business at 1621 Central Avenue, Cheyenne, WY 82001. COORGA transacts or has transacted business in this district and throughout the United States. At least since 2011, COORGA has labeled, advertised, marketed, distributed or sold the Grey Defence dietary supplement ("Grey Defence") to consumers throughout the United States.
- 7. Defendant Garfield Coore ("Coore") is the Executive Vice President of COORGA. Coore manages or managed day-to-day operations and advertising and marketing activities for Defendant COORGA. Coore participates or participated in the creation and review of advertising and promotional materials for Grey Defence. At times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant Coore transacts or has transacted business in this district and throughout the United States in connection with the matters alleged herein.

COMMERCE

8. At all times material to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' BUSINESS ACTIVITIES

9. Defendants have labeled, advertised, marketed, distributed, and sold Grey Defence, a dietary supplement. According to the product label, Grey Defence contains a blend of vitamins and minerals, as well as catalase, an enzyme used by cells to rapidly catalyze the decomposition of hydrogen peroxide into less-reactive gaseous oxygen and water molecules.

Grey Defence is promoted as effective in reversing or preventing the formation of gray hair. Defendants have sold several successive formulations of Grey Defence, beginning with "Grey Defence®," followed by "Grey Defence®Xtreme," and now "Grey Defence®Xtreme 2.0" (collectively, "Grey Defence"). Defendants also have announced plans to launch in 2015 another Grey Defence product, Grey Defence®GENEJOLT! Professional Strength, a "more advanced anti-aging/anti-greying product that addresses many of the conditions currently not addressed by Grey Defence®Xtreme."

- 10. Consumers can purchase Grey Defence directly from Defendants, including through their Internet site www.greydefence.com, and via Defendants' customer service telephone number. Defendants sell the current version of Grey Defence, Grey Defence®Xtreme 2.0, for \$69.99 per bottle; they also offer consumers the option of purchasing a three-bottle pack for \$189.99, six bottles for \$322.99, and a "multi-family pack" of 24 bottles for \$1,279.99. One bottle of Grey Defence®Xtreme 2.0 contains 30 capsules and provides a 30-day supply if taken according to the product label (one capsule daily).
- 11. Defendants have advertised Grey Defence through their website, online ads (including online video postings), product labeling, print, radio, and television ads, and through other advertising and promotional materials.
- 12. To induce consumers to purchase Grey Defence, Defendants have disseminated, or caused to be disseminated, ads for Grey Defence, including, but not limited to, the attached Exhibits A through G. These ads contain the following statements and depictions, among others:

A. Exhibit A: GreyDefence.com website homepage 65% of Grey Defence® Customers in Observational Study Reversed Their Grey!

Grey Defence® Reverses Greying – Detailed Observational Study Proves it!

Key findings of the observational study of existing customers: (1) the longer customers used Grey Defence® the greater the amount of reversal. (2) Customer current Age had no impact on the effectiveness of Grey Defence® – users as young as 36 yrs. and old as 70 yrs. reported reversal (please note the age at which graying started can be meaningful). (3) Customer's sex had no effect – male and female both reported reversal and finally (4) There were no reports of adverse reaction from using Grey Defence®. . . .

Grey Defence® is a natural super premium dietary supplement with advance dose delivery technologies that releases the active ingredients in the upper site of the small intestines, where it's effectively absorbed, thereby augmenting the body's natural defences against greying....

Grey Defence® patent pending proprietary formulation is science based. The formulation delivers a high dosage of natural plant derived enzymes, vitamins and essential amino acids directly into the body via the small intestines. The specific compounds used have been shown to slow, stop and even reverse grey hair. . . .

B. Exhibit B: GreyDefence.com website "What is Grey Defence"

... Grey Defence® supplements and re-energizes the body's "antioxidant defence system", naturally reversing grey hair....

The Science Behind Grey Defence®

The capsules that contains the active ingredients passes through the stomach acid undisturbed – unlike most natural supplements that

gets destroyed by the acidity of the stomach. This advance dosage delivery capabilities means Grey Defence® enjoys maximum bioavailability; delivering the required therapeutic benefits at the targeted sites in useful dosage amounts.

C. Exhibit C: GreyDefence.com website "About Us"

Grey Defence® is a dietary supplement that reverses grey hair.

COORGA Nutraceuticals Corporation, specializes in the development of science based dietary supplements targeting the anti-aging market. Grey Defence® our flagship brand was born from decades worth of peer-reviewed Gerontology research on aging....

D. Exhibit D: GreyDefence.com website "Grey Defence Review"

Summarized Findings and Statistical Analysis

In the study, 100 customers were contacted after using Grey Defence® for at least 5 months and asked to participate in a product impact study. No compensation was promised or given to the participants. The survey had a 20% response rate. Of the 20 respondents 13 (65%) indicated that they saw grey hair reversal. This varied according to how long they had been on the product starting as low as 5% and going as high as 75%. . . .

E. Exhibit E: GreyDefence.com website "Shipping and Refund Policy"

Grey Defence® GENEJOLT! Professional Strength is an experimental dietary supplement designed to reverse greying due to cell damage, hydrogen peroxide bleaching, nutrient deficiency and stress.

F. Exhibit F: Transcript of the Grey Defence YouTube video (Exhibit F-1: A DVD containing the video will be filed by hand)

ANNOUNCER: ... Grey Defence ... represents current advances

in scientific knowledge as to what causes premature greying. The ingredients in Grey Defence are not based on traditional herbal medicine, Chinese or otherwise. Grey Defence is based on new breakthroughs in the understanding of greying. . . . Grey Defence is an amazing product designed to slow, stop and reverse the sign of greying. . . . Grey Defence is an effective enzyme replacement therapy for greying. . . . Grey Defence uses advance time release technology for enhanced intestinal track absorption.

G. Exhibit G: Grey Defence®Xtreme 2.0 Product Label Grey Defence XTREME 2.0

The Safe & Healthy Way to Reverse Grey Hair . . .

The body's anti-oxidative defensive network includes antioxidant enzymes Catalase and Glutathione Peroxidase that efficiently neutralizes hydrogen peroxide when we are young. **Grey Defence®** was formulated to re-energize this natural grey hair defence system, reversing grey hair naturally. For maximum results allow 6 to 18 months continuous usage. Grey Defence is most effective for those who started greying after age 28.

VIOLATIONS OF THE FTC ACT

- 13. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive acts or practices in or affecting commerce.
- 14. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.
- 15. Section 12 of the FTC Act, 15 U.S.C. § 52, prohibits the dissemination of any false advertisement in or affecting commerce for the purpose of inducing, or which is likely to induce, the purchase of food, drugs, devices, services, or cosmetics.
- 16. For the purposes of Section 12 of the FTC Act, Grey Defence is either a "food" or "drug," as defined in Section 15(b) and (c) of the FTC Act, 15 U.S.C. § 55(b), (c).

COUNT I

FALSE OR UNSUBSTANTIATED EFFICACY CLAIMS

- 17. Through the means described in Paragraph 12, Defendants have represented, directly or indirectly, expressly or by implication, that Grey Defence reverses or prevents the formation of gray hair.
- 18. The representation set forth in Paragraph 17 is false or misleading, or was not substantiated at the time the representation was made.
- 19. Therefore, the making of the representation set forth in Paragraph 17 constitutes a deceptive act or practice and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

COUNT II

FALSE PROOF CLAIMS

- 20. Through the means described in Paragraphs 12, Defendants have represented, directly or indirectly, expressly or by implication, that Grey Defence is scientifically proven to reverse or prevent the formation of gray hair.
 - 21. The representation set forth in Paragraph 20 is false.
- 22. Therefore, the making of the representation set forth in Paragraph 20 constitutes a deceptive act or practice and the making of false advertisements, in or affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

CONSUMER INJURY

23. Consumers have suffered and will continue to suffer substantial injury as a result

of Defendants' violations of the FTC Act. In addition, Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

24. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of any provision of law enforced by the FTC. The Court, in the exercise of its equitable jurisdiction, may award ancillary relief, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, to prevent and remedy any violation of any provision of law enforced by the FTC.

PRAYER FOR RELIEF

Wherefore, Plaintiff FTC, pursuant to Section 13(b) of the FTC Act, 15 U.S.C. §§ 53(b), and the Court's own equitable powers, requests that the Court:

- A. Award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective final relief, including, but not limited to, a preliminary injunction;
- B. Enter a permanent injunction to prevent future violations of the FTC Act by Defendants;
- C. Award such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the FTC Act, including but not limited to, rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies; and

D. Award Plaintiff the costs of bringing this action, as well as such other and additional relief as the Court may determine to be just and proper.

Dated this 13th day of May, 2015.

Respectfully submitted,

JONATHAN NUECHTERLEIN
General Counsel
ELIZABETH NACH
PHYLLIS H. MARCUS
Federal Trade Commission

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