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WALTER GROSS
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 Attorneys for Plaintiff
 Federal Trade Commission

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Plaintiff, the Federal Trade Commission ("FTC" or "Commission"), through its undersigned attorneys, alleges as follows:

1. Plaintiff FTC brings this action under Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), to secure a permanent injunction, consumer redress, disgorgement, and other equitable relief against the Defendants for engaging in deceptive acts or practices in connection with the advertising, marketing, and sale of the Fast Abs "electronic massage fitness belt" ("Fast Abs"), which purportedly causes loss of inches and fat, and well-defined abdominal muscles, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

JURISDICTION AND VENUE

- 2. This Court has subject matter jurisdiction over this matter under 15 U.S.C. §§ 45(a), 52, and 53(b), and 28 U.S.C. §§ 1331, 1337(a), and 1345.
- 3. Venue in this district is proper under 15 U.S.C. § 53(b) and 28 U.S.C. §§ 1391(b) and (c).

THE PARTIES

- 4. Plaintiff, the Federal Trade Commission, is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The Commission 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 Commission 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. The Commission may initiate federal district court proceedings to enjoin violations of the FTC Act and to secure such equitable relief, including consumer redress, as may be appropriate in each case. 15 U.S.C. § 53(b).
 - **5.** Defendant United Fitness of America, LLC ("UFA"), is a Nevada limited liability

1	relevant to this complaint, acting individually or in concert with others, Tristar marketed and
2	sold consumer products and exercise equipment, including Fast Abs. Tristar registered the
3	Internet address "TVinventions.com," which is referenced many times in the Fast Abs
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- 20. The Fast Abs infomercials featured "fitness pros" and "health professionals" who repeatedly demonstrated the product and touted its purported benefits. The infomercials also included: (1) user testimonials; (2) scientific-looking images that purported to illustrate how Fast Abs functions; (3) visual images of flabby torsos transforming into thin, lean and sculpted torsos; and (4) a bevy of male and female models with exceptional abdominal definition, usually dressed in revealing clothes. Exs. A & B (Fast Abs Nov. 3, 2001 infomercial videotape and transcript); Exs. C & D (Fast Abs Feb. 9, 2002 infomercial videotape and transcript).
- 21. The advertisements and promotional materials for Fast Abs discussed in paragraphs 15-20 ("Fast Abs Promotional Materials") contained four messages about its benefits, performance, and safety. Specifically, the use of Fast Abs: (1) causes loss of inches and fat, and guarantees users will "lose four inches in 30 days"; (2) causes well-defined abdominal muscles, e.g., "rock hard abs" or "washboard abs"; (3) for 10 minutes is equivalent to 600 sit-ups and more effective and efficient than regular exercise; and (4) is safe for all users and is safe for use over the chest and/or pectoral area.

(1) Lose inches and fat claims

- **22.** The Fast Abs Promotional Materials included, but were not limited to, the following statements and depictions about how Fast Abs causes loss of inches and fat:
 - **a.** ON SCREEN TEXT: "Lose 4 inches in 30 days Guaranteed!" Ex. B at 30, 32, 48, 59, 60; Ex. D at 31, 33, 49, 63, 64.
 - **b.** MALE ANNOUNCER: "You'll drop four inches in the first 30 days. We guarantee it." Ex. B at 31, 59; Ex. D at 32, 63.

1	ON SCREEN IMAGE: Flabby female torso in profile morphing into a lean and fit torso.
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3	c. MALE ANNOUNCER: "People everywhere are sitting back and relaxing while they firm up, slim down, and shed inches quickly." Ex. B at 4, 23, 54; Ex. D at 4,
4	23-24, 45, 57.
5 6	d. KATHY DERRY [previously introduced as "[o]ne of America's leading fitness pros"]: "If for any reason you're not completely satisfied with your new leaner, tighter shape, simply return it for a complete refund of the purchase price, no questions
7	asked." Ex. B at 21.
8	ON SCREEN IMAGES: Men without shirts and women with bare midriffs, all sporting lean, well-defined abdominal muscles.
9	e. ON SCREEN IMAGE: "Before" and "After" photographs and images of male and female torsos transforming from flabby to lean and fit.
10	[A message of "Unique results, your results may vary" fleetingly appears in fine print near the
11	bottom of the screen. Ex. B at 52. The February version of the infomercial flashes "Unique Results. Your results will vary." Ex. D at 54. In both versions, this small light blue text is
12	poorly contrasted against a medium blue screen and is accompanied by background sounds and images.]
13	PETER VIRGILE [previously introduced as a "top personal trainer"]: "Just look at these
14	Fast Abs results achieved by all these people in just two weeks. Fantastic results." Ex. B at 53; Ex. D at 54-55.
15	f. KAREN [purported Fast Abs user]: "In the last 14 days, I've lost three and
16	a half pounds and two and a half inches off my waist and an inch off my hips."
17	ON SCREEN IMAGE: Woman's torso in profile featuring a flabby belly and buttocks morphing into a lean and fit profile. Ex. B at 20; Ex. D at 20.
18	ON SCREEN TEXT: "Lost 3½ inches total! 14-day results!"
19	g. HEATHER [purported Fast Abs user]: "In the last 14 days, I've lost two
20	and half inches off my waist and two inches off my hips."
21	ON SCREEN TEXT: "Before and After photographs Lost 4½ inches total! 14-Day Results!"
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23	ON SCREEN IMAGE: Woman's torso in profile featuring a flabby belly and buttocks morphing into a lean and fit profile.
24	[Same messages and display characteristics described in ¶ 18(e) appear at Ex. B at 10; Ex. D at 11.]
25	En. D at 11.]
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- **h.** UNIDENTIFIED MALE [purported Fast Abs user]: "With Fast Abs, I've been able to zap my love handles." Ex. B at 20; Ex. D at 20.
- **i.** UNIDENTIFIED MALE [purported Fast Abs user]: "I lost an inch and half in my hips. I lost two and half in my waist."

ON SCREEN TEXT: "Before and After photographs . . . Lost 4 inches total! 14-Day Results!"

ON SCREEN IMAGE: Typical male torso transforms into lean and sculpted torso.

[Same messages and display characteristics described in ¶ 18 (e) appear at Ex. B at 20; Ex. D at 20.]

- **j.** PERSONAL FITNESS TRAINER: "It really, really helps strengthen the muscle, tone the muscle, get rid of cellulite." Ex. B at 14.
- **k.** KATHY DERRY: "People really can see great results quickly and easily with Fast Abs. The secret is EMS, electronic muscle stimulation.

1	ON SCREEN IMAGE: Flabby stomach muscles replaced with visibly defined abs.
2	c. KATHY DERRY: "In just minutes a day, with Fast Abs, you'll be building, toning, shaping, and defining your entire body."
3	ON SCREEN IMAGE: Men and women with sculpted torsos. Ex. B at 34; Ex. D at 35.
4	d. PERSONAL FITNESS TRAINER: "A lot of my clients want to get the cuts
5	and the definition and this is amazing if you want to do that." Ex. B at 14; Ex. D at 14.
67	e. KATHY DERRY: "The simple, fast, easy, effective tool to help tool and reshape your body and help get those washboard lean sexy abs is finally here. With Fast Abs, we'll guarantee fast results with no sweat." Ex. B at 52; Ex. D at 54.
8	ON SCREEN IMAGE: Sculpted male and female torsos followed by close-up of Fast Abs belt on pulsating abdomen.
9	f. KATHY DERRY: "I'll guarantee you'll firm that saggy midriff, tone those
10	flabby love handles and lose that belly that's been embarrassing you for years. Reshape all your problem areas or simply return Fast Abs, no questions asked. You deserve to
11	have the body you've always imagined and now you don't have to spend all day at the gym to get it." Ex. B at 53.
12	g. MALE ANNOUNCER: "Do you want rock hard abs, taut, toned muscles
1314	without sweating for hours? Well now you can. Introducing Fast Abs—the complete no-sweat workout system." Ex. E (web commercial transcript); Ex. F (same text depicted on <u>TVinventions.com</u>).
15	ON SCREEN TEXT: "No Sweat Workout!"
16	ON SCREEN IMAGE: Male torso displaying "washboard" abs and two bikini-clad female torsos displaying lean and muscular abs.
17	h. MALE ANNOUNCER: "Now you can get rock hard abs with no sweat.
18	Tone arms and shoulders, define hips and thighs. All in just minutes a day. Fast Abs does all the work for you." Ex. E (web infomercial transcript); Ex. F (same text depicted
19	on <u>TVinventions.com</u>).
20	ON SCREEN TEXT: "Fast Abs Does All the Work!"
21	i. "Use the whole system for the ultimate in body sculpting and body building. Abs, back, triceps, biceps. Customize your program for weight loss and muscle
22	definition." Ex. G (print ads).
23	j. Application for Mode 1, "Lightning Pulse": "Women: Flattening lower abs[.] Men: Chiseling upper and lower abs." Ex. H at 8 (instruction booklet).
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	(3) Equivalent to sit-ups, more efficient than exercise claims

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- **24.** The Fast Abs Promotional Materials included, but were not limited to, the following statements and depictions about how using Fast Abs (a) for ten minutes equals 600 sit ups, and (b) is more effective and efficient than regular exercise:
 - **a.** KATHY DERRY: "In fact, just 10 minutes of Fast Abs is like doing 600 sit-ups. Imagine that. 600 sit-ups."

ON SCREEN TEXT: "10 minutes = 600 sit ups."

ON SCREEN IMAGE: Woman struggling to perform a sit-up. Ex. B at 11; see also Ex. B at 5, 23, 35, 43, 50, 54-55.

[The February Infomercial replaces the audio and text references to "sit-ups" with the phrase "muscle contractions." Ex. D at 5, 12, 24, 36, 45, 52, 57. However, each reference to "600 muscle contractions" is still accompanied by a visual image of a woman struggling to do a sit-up. *Id.*]

b. KATHY DERRY: "Tests have proven that this unique isometric action can be 30% more effective than anything you can do on your own with normal exercise." Ex. B at 11, 24, 34-35; *see id.* at 16 and 24 (similar statements).

ON SCREEN TEXT: "Unique Isometric Action! 30% More Effective Than Normal Exercise!" Ex. B at 11, 34-35; see id. at 16 and 24 (similar statements).

c. DR. DONALD FURNIVAL [introduced as a chiropractor specializing in "natural healthcare"]: "There are several studies that have been done that show that electrical muscle stimulation is more effective and more efficient than regular working out or going to the gym. When you go to the gym, you are exercising everything, and that brings on fatigue. You don't get that with Fast Abs." Ex. B at 15.

ON SCREEN IMAGE: Black and white images of men and women performing exercise with expressions of discomfort.

d. Just 10 = 600

Ex. G at 2 (print ads).

- e. "Just 10 minutes can equal 600 sit-ups!" *Id*.
- **f.** "Just 10 minutes can equal 600 ab contractions!" *Id.* at 3.
- **g.** "Just 10 minutes with Fast Abs is the equivalent of 600 muscle contractions." Ex. F (TVinventions.com).

- **h.** "The FAST ABS system uses gentle electric pulses to stimulate nerves that produce muscle contractions. The pulses can be regulated to tone, or to build muscles just the way crunches and resistance exercises do." Ex. H at 3 (instruction booklet).
- **i.** "The key to a targeted workout is based on the number of repetitions and length of each muscle contraction through sit-ups, crunches and resistance training. The Fast Abs system uses this principle to help you get the type of muscle workout you want." Ex. H at 7 (instruction booklet).

(4) Safety

- **25.** The Fast Abs Promotional Materials included, but were not limited to, the following statements and depictions about how Fast Abs is safe for all users and safe to use over the chest:
 - **a.** DR. FURNIVAL: "I would recommend Fast Abs because [s]econdly, it is the safest possible way that you can develop your musculoskeletal system." Ex. B at 16.
 - **b.** KATHY DERRY: "Fast Abs is perfect for everyone who wants to have perfect abs. It was designed to fit the needs of people at all different fitness levels. Doctors have found that it is safe and effective for people because of its unique design and breakthrough technology." Ex. B at 51; Ex. D at 53-54.
 - [A message of "Do not use during pregnancy, if you use a pace maker or if you have a cardiac or other medical condition that would prevent you from using EMS technology." fleetingly appears in fine print near the bottom of the screen. Ex. B at 51; Ex. D at 53 (similar statement). The small white text is poorly contrasted against a screen that changes background several times and contains many images.]
 - c. KATHY DERRY: "This tiny transformer [referring to the unit] sends out safe, gentle impulses that trigger your motor nerves and activate deep muscle contractions." Ex. B at 11; Ex. D at 11; see Ex. B at 24, 34; Ex. D at 25, 35, 58 (similar statements by Kathy Derry or Male Announcer).
 - **d.** MALE ANNOUNCER: "Simply slip the Fast Abs belt around the desired muscle group, and the Fast Abs microprocessor [the unit] sends out safe, gentle, massage-like impulses that stimulate muscle contractions to tone and firm muscle." Ex. E (web commercial transcript); Ex. F (same text depicted on <u>TVinventions.com</u>).
 - **e.** PETER VIRGILE: "And not only does it give your abs a great workout, you can use Fast Abs all over your body, toning and shaping your hips and your arms, your thighs, your chest and your calves."

ON SCREEN TEXT: "Total Body Workout!" Ex. B at 35; Ex. D at 36.

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2	f. ON SCREEN IMAGE: Fast Abs belt strapped across chest of a male. Ex. B at 5, 12, 19, 24, 26-27, 35, 37, 50.
3	g. "Adjustable Positioning Lets You Target Your: Upper Abs[,] Lower Abs[,] Plus All These Trouble Spots: Love Handles & Waist[,] Inner & Outer Thighs & Buns[,] Arms[,] Chest."
5	VISUAL IMAGE: Fast Abs belt strapped across the chest of a female. Ex. G (print ads).
6	h. "[M]uscles for women Upper Body Target Zones Pectorals
7	These are the muscles men like to build for the chiseled chest look. For women, these
8	muscles are just as important. While breast tissue is not comprised of muscle and can't be strengthened or tightened, strengthening the pectoral muscles helps to support the
9	breasts and give them a firmer[,] more shapely appearance. The secret to maintaining breast shape is working the pectorals." Ex. H at 11 (instruction booklet).
10	i. "[M]uscles for men
11	Upper Body Target Zones Pectorals
12	"Pecs" are so important to men for a virile look that some actually get implants to achieve the Tarzan chest. Working the pecs on a program of increasing intensity can
13	help get the sculpted chest of a body builder." Ex. H at 13 (instruction booklet).
14	j. "[E]xercise points Women Men
15	B. Breasts Improves breast contour B. Chest Improves breast contour"
16	VISUAL IMAGE: Graphic of muscular system locating "B" exercise point as across the chest area. Ex. H at 15 (instruction booklet).
17	k. "[U]pper body positioning
18	Women: Program 4 Men: Program 2"
19	VISUAL IMAGE: Fast Abs belt positioned across female's chest area. Ex. H at 17
20	(instruction booklet).
21	26. Although the Fast Abs pre-sale promotional materials stated that the device was
22	safe, the Fast Abs instruction booklet warned " DO NOT use FAST ABS if you have any of the
23	following conditions," including, inter alia:
24	Heart condition (Current or previous)
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• Inflammation of veins (including phlebitis or serious varicose veins.)

• Inflamed tissue from recent injury or disease (including recent scar tissue)

Ex. H at 4. Consumers did not receive this list of contraindications until after they had purchased the device and received the instruction booklet.

<u>The Defendants' Purported 30-Day Money-Back Guarantee and One-Year Product Warranty</u>

27. The Fast Abs Promotional Materials included, but were not limited to, the following statements and depictions about a 30-day money-back guarantee and a one-year product warranty:

a. KATHY DERRY: "Plus, Fast Abs will let you try the product for 30 days. Get the results we're talking about or you don't pay. That's because Fast Abs comes back[ed] with our 30-day fast results money-back guarantee. If, for any reason, you're not completely satisfied with your new[,] leaner, tighter shape, simply return it for a complete refund of the purchase price, no questions asked."

ON SCREEN TEXT: **"30-DAY Risk Free Money Back Guarantee."** Ex. B at 21; *see also* Ex. B at 4, 23, 30-33, 43, 47-49, 53-54, 5dr'2ames

responsible for handling returns or customer service. In some cases, consumers dialed the telephone numbers displayed during Fast Abs infomercials and reached telephone representatives who refused to provide return information and/or provided consumers with a so-called "customer service" telephone number, which was either continuously busy or put them on "hold" for extended periods of time.

29. The Fast Abs infomercials repeatedly claimed that Fast Abs is backed by a "full **one-year** limited warranty." Ex. B at 32, 47, 60; Ex. D at 32, 49, 64 (emphasis added). However, when some consumers received the device from the UFA Defendants, it was accompanied by a "Fast Abs **Thirty (30) Day** Limited Warranty" card that explicitly disclaimed all other "written or express warrant[ies]." Ex. I (emphasis added). This 30-day warranty ran "from the original date of purchase." *Id*.

THE DEFENDANTS' VIOLATIONS OF THE FTC ACT

30. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive acts or practices in or affecting commerce. Section 12 of the FTC Act, 15 U.S.C. § 52(a), 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. For the purposes of Section 12 of the FTC Act, 15 U.S.C. § 52, Fast Abs is a "device" pursuant to Section 15(d) of the FTC Act, 15 U.S.C. § 55(d). As set forth below, the Defendants engaged in such unlawful practices in connection with the marketing and sale of Fast Abs.

COUNT ONE FALSE CLAIMS - LOSS OF INCHES AND FAT (All Defendants)

31. Through the means described in Paragraphs 14-22, the Defendants represented, expressly or by implication, that Fast Abs causes loss of inches and fat.

32. In truth and in fact, Fast Abs does not cause loss of inches and fat. Therefore, the making of the representations set forth in Paragraph 31 constitutes a deceptive practice, and

COUNT FOUR FALSE CLAIMS - SAFE FOR USE OVER CHEST AREA (All Defendants)

37. Through the means described in Paragraphs 14-21 and 25, the Defendants

affecting commerce, in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52.

COUNT SIX FALSE CLAIMS – FAILURE TO PROVIDE A ONE-YEAR LIMITED WARRANTY (UFA Defendants)

- **41.** Through the means described in Paragraphs 14-20 and 27-29, the UFA Defendants represented, expressly or by implication, that Fast Abs came with a "full one-year limited warranty."
- **42.** In truth and in fact, the Fast Abs devices sold by the UFA Defendants did not come with a full one-year limited warranty. The UFA Defendants substituted a 30-day warranty that explicitly disclaimed all other "written or express warrant[ies]" for the represented one-year limited warranty. Therefore, the making of the representation set forth in Paragraph 41 constitutes a deceptive practice in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT SEVEN FALSE CLAIMS – FAILURE TO PROVIDE EFFECTIVE MEANS TO CLAIM REFUND (UFA Defendants)

- **43.** Through the means described in Paragraphs 14-20 and 27-28, the UFA Defendants represented, expressly or by implication, that customers dissatisfied with the Fast Abs product could easily return the product within 30 days for a full refund of the purchase price, less shipping and handling.
- 44. In truth and in fact, in numerous instances, customers dissatisfied with the Fast Abs product were not able to easily return the product within 30 days for a full refund of the purchase price, less shipping and handling. Therefore, the making of the representation set forth in Paragraph 43 constitutes a deceptive practice in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

45. Consumers throughout the United States have suffered and continue to suffer substantial monetary loss and may suffer physical injury as a result of the Defendants' unlawful acts or practices. In addition, the Defendants have been unjustly enriched as a result of their unlawful practices. Absent injunctive relief by this Court, the Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

46. 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 the FTC Act. The Court, in the exercise of its equitable jurisdiction, may award other ancillary relief, including consumer redress, disgorgement, and restitution, to prevent and remedy injury caused by the Defendants' law violations.

PRAYER FOR RELIEF

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

1. Permanently enjoin the Defendants from violating Sections 5(a) and 12 of the FTC Act as alleged herein, including committing such violations in connection with the advertising or sale of food, drugs, dietary supplements, devices, cosmetics, or other products, services or programs;