

consent agreement containing a consent order to cease and desist, having been filed 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 January 13, 1998), on the World Wide Web, at "http://www.ftc.gov/os/actions/htm." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania Avenue, N.W., Washington, DC 20580, either in person or by calling (202) 326-3627. Public comment is invited. 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 an agreement, subject to final approval, to a proposed consent order from respondent Jeanie Eller.

The proposed consent order has been placed on the public record for sixty (60) days for 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 the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

This matter concerns success claims made regarding Jeanie Eller's Action Reading, a home-study phonetics program, promoted by respondent. The Commission's complaint charges that respondent, in concert with Mega Systems, Inc., made unsubstantiated claims that Jeanie Eller's Action Reading is successful in teaching reading 100% of the time. In fact, the complaint alleges, Jeanie Eller's Action Reading is not successful in teaching reading 100% of the time.

The proposed consent order contains provisions designed to remedy the violations charged and to prevent the respondent from engaging in similar acts and practices in the future. The proposed order extends to Jeanie Eller Action Reading or any other product or program that provides instruction in any aspect of reading.

Part I of the proposed consent order prohibits the respondent from representing the extent to which individuals who use such product will learn to read or the success rate of individuals who use such product, unless the representation is substantiated.

The remaining parts of the proposed consent order require the respondent to maintain promotional and substantiation materials related to the claims covered by the order, to notify the Commission of any changes in her employment, and to file one or more compliance reports.

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

**Donald S. Clark,**

*Secretary.*

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#### **FEDERAL TRADE COMMISSION**

[File No. 942-3278]

#### **Mega Systems International, Inc., 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 received on or before March 23, 1998.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pennsylvania Avenue, N.W., Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** C. Steven Baker or Russell W. Damtoft, Federal Trade Commission, Chicago Regional Office, 55 East Monroe St., Suite 1860, Chicago, IL 60603. (312) 353-8156.

**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 filed 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 January 13, 1998), on the World Wide Web, at "http://www.ftc.gov/os/actions/htm." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania Avenue, N.W., Washington, DC 20580, either in person or by calling (202) 326-3627. Public comment is invited. 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 an agreement, subject to final approval, to a proposed consent order from respondents Mega Systems International, Inc. and Jeffrey Salberg.

The proposed consent order has been placed on the public record for sixty (60) days for 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 the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

This matter concerns advertisements, including but not limited to infomercials, for five Mega Systems International products: Eden's Secret Nature's Purifying Product, Sable Hair Farming System, Kevin Trudeau's Mega Memory System, Dr. Callahan's Addiction Breaking System, and Jeanie Eller's Action Reading. This matter also concerns the deceptive format of the infomercials.

The Commission's complaint charges that respondents made false and unsubstantiated claims that Eden's Secret Nature's Purifying Product (1) causes significant weight loss, (2) will prevent or cure illnesses, including but not limited to fatigue, headaches, depression, arthritis, insomnia, immune suppression, and premenstrual syndrome, (3) will cleanse the body of

harmful toxins, and (4) will purify the body's blood supply.

The Commission's complaint also charges that respondents made false and unsubstantiated claims that Sable Hair Farming System (1) will stop, prevent, cure, relieve, reverse or reduce hair loss, (2) will promote the growth of hair where hair has already been lost, and (3) is superior to Rogaine and Minoxidil in stopping, preventing, curing, relieving, reversing or reducing hair loss. In addition, the Commission's complaint charges that respondents made the false claim that scientific studies demonstrate that Sable Hair Farming System is effective in stopping hair loss and promoting hair growth.

The Commission's complaint also charges that respondents made the false and unsubstantiated claim that Kevin Trudeau's Mega Memory System will enable users to achieve a photographic memory, and the unsubstantiated claim that Kevin Trudeau's Mega Memory System is effective in causing adults or children with learning disabilities or attention deficit disorder to substantially improve their memory. In addition, the Commission's complaint charges that respondents made false claims that (1) scientific studies of Kevin Trudeau's Mega Memory System on seventh-grade students demonstrate that Kevin Trudeau's Mega Memory System will substantially improve their academic performance and grades, (2) scientific studies of Kevin Trudeau's Mega Memory System on blind children demonstrate that Kevin Trudeau's Mega Memory System will improve their recall ability to a level of 95% to 98%, (3) scientific studies of Kevin Trudeau's Mega Memory System on children with IQ's of fifty to sixty demonstrate that Kevin Trudeau's Mega Memory System will improve their recall ability to a level of almost 100%, and (4) scientific studies of Kevin Trudeau's Mega Memory System on children with attention deficit disorder demonstrate that Kevin Trudeau's Mega Memory System will substantially improve their memory.

The Commission's complaint also charges that respondents made false and unsubstantiated claims that Dr. Callahan's Addiction Breaking System (1) reduces an individual's compulsive desire to eat, leading to significant weight loss, (2) reduces an individual's compulsive desire to eat, leading to significant weight loss without the need to diet or exercise, and (3) cures addictions and compulsions, including but not limited to, smoking, eating, and using alcohol or heroin. In addition, the Commission's complaint charges that respondents made the false claim that

testimonials with regard to consumers' use of Dr. Callahan's Addiction Breaking System reflect the typical or ordinary experience of members of the public who use the product.

The Commission's complaint also charges that respondents made unsubstantiated claims that Jeanie Eller's Action Reading is successful in teaching reading 100% of the time. Finally, the Commission's complaint charges that respondents deceptively represented that their infomercials were independent television programs and not paid commercial advertising.

The proposed consent order contains provisions designed to remedy the violations charged and to prevent the respondent from engaging in similar acts and practices in the future. The proposed consent order prohibits the respondents from representing that Eden's Secret Nature's Purifying Product, or any substantially similar product, (1) causes significant weight loss, (2) prevents or cures illnesses, including but not limited to fatigue, headaches, depression, arthritis, insomnia, immune suppression, and premenstrual syndrome, (3) will cleanse the body of harmful toxins, or (4) will purify the body's blood supply.

The proposed consent order also prohibits the respondents from representing that Sable Hair Farming System, or any substantially similar product, (1) will stop, prevent, cure, relieve, reverse or reduce hair loss, (2) will promote the growth of hair where hair has already been lost, or (3) is superior to Rogaine and Minoxidil in stopping, preventing, curing, relieving, reversing or reducing hair loss. In addition, the proposed consent order prohibits respondents from advertising, packaging, labeling, promoting, offering for sale, selling, or distributing any product that is represented as promoting hair growth or preventing hair loss, unless the product is the subject of an approved new drug application for such purpose under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 301 *et seq.*

The proposed consent order also prohibits the respondents from representing that Kevin Trudeau's Mega Memory System, or any substantially similar product, will enable users to achieve a photographic memory. In addition, the proposed consent order prohibits the respondents from representing that Kevin Trudeau's Mega Memory System, or any substantially similar product, is effective in causing adults or children with learning disabilities or attention deficit disorder to substantially improve their memory, unless, at the time the representation is made, respondents possess and rely

upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

The proposed consent order also prohibits the respondents from representing that Dr. Callahan's Addiction Breaking System, or any substantially similar product or program, (1) reduces an individual's compulsive desire to eat, leading to significant weight loss, (2) reduces an individual's compulsive desire to eat, leading to significant weight loss without the need to diet or exercise, or (3) cures addictions and compulsions, including but not limited to, smoking, eating, and using alcohol or heroin.

The proposed consent order also prohibits the respondents from representing with respect to Jeanie Eller's Action Reading, or any other product or program that provides instruction in any aspect of reading, the extent to which individuals who use such product will learn to read or the success rate of individuals who use such product, unless the representation is substantiated.

The proposed consent order also prohibits the respondents from (1) misrepresenting the existence, contents, validity, results, conclusions or interpretations of any test, study or research, (2) representing the benefits, performance or efficacy of any product or program, unless the representation is substantiated, and (3) representing that the experience represented by any user testimonial or endorsement of any product or program represents the typical or ordinary experience of the members of the public, unless the representation is substantiated or clearly and prominently qualified.

In addition, the proposed consent order prohibits the respondents from creating, producing, selling or disseminating (1) any advertisement that misrepresents that it is not a paid advertisement, (2) any television commercial or other video advertisement fifteen minutes in length or longer that does not clearly and prominently disclose within the first thirty seconds and immediately before each presentation of ordering instructions that the program is a paid advertisement for the product or service, and (3) any radio commercial or other radio advertisement five minutes in length or longer that does not broadcast clearly an audibly within the first thirty seconds and immediately before each presentation of ordering instructions or

periodically through the program, but no more than approximately ten minutes apart that the program is a paid advertisement for the product or service.

The proposed consent order also requires respondents to pay the Federal Trade Commission \$500,000. The funds paid by the respondents shall, in the discretion of the Federal Trade Commission, be used to provide direct redress to consumers. If the Federal Trade Commission determines that consumer redress is impracticable or otherwise unwarranted, any funds not so used shall be paid to the United States Treasury.

The remaining parts of the proposed consent order require the respondents (1) to maintain promotional and substantiation materials related to the claims covered by the order, (2) to deliver a copy of the order to all current and future principals, officers, directors, and managers, and deliver a summary of the order to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, (3) to notify the Commission of any changes in the structure of the proposed corporate respondent, (4) to notify the Commission of any changes in employment of the individual respondent, and (5) to file one or more compliance reports.

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

**Donald S. Clark,**

*Secretary.*

[FR Doc. 98-1360 Filed 1-20-98; 8:45 am]

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## FEDERAL TRADE COMMISSION

[File No. 942-3278]

### Tru-Vantage International, L.L.C.; 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 received on or before March 23, 1998.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., NW., Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** C. Steven Baker or Russell W. Damtoft, Federal Trade Commission, Chicago Regional Office, 55 East Monroe St., Suite 1860, Chicago, IL 60603. (312) 353-8156.

**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 filed 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 January 13, 1998), on the World Wide Web, at "http://www.ftc.gov/os/actions/htm." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, either in person or by calling (202) 326-3627. Public comment is invited. 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 an agreement, subject to final approval, to a proposed consent order from respondent Tru-Vantage International, L.L.C.

The proposed consent order has been placed on the public record for sixty (60) days for 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 the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

This matter concerns an efficacy claim made regarding Howard Berg's Mega Reading promoted by respondent.

The Commission's complaint charges that respondent, in concert with Howard S. Berg and Kevin Trudeau, made a false and unsubstantiated claim that Howard Berg's Mega Reading is successful in teaching anyone, including adults, children and disabled individuals, to significantly increase their reading speed while substantially comprehending and retaining the material.

The proposed consent order contains provisions designed to remedy the violations charged and to prevent the respondent from engaging in similar acts and practices in the future. The proposed order extends to any product or program purported to significantly increase one's reading speed.

Part I of the proposed consent order prohibits the respondent from representing that Howard Berg's Mega Reading, or any substantially similar product, is successful in teaching anyone, including adults, children and disabled individuals, to increase their reading speed above 800 words per minute while substantially comprehending and retaining the material. Part II of the proposed order prohibits the respondent from representing the performance, benefits, or efficacy of any product or program purported to significantly increase one's reading speed, unless the representation is substantiated.

The remaining parts of the proposed consent order require the respondent to maintain promotional and substantiation materials related to the claims covered by the order, to provide a copy of the order to designated parties having responsibilities with respect to the subject matter of this order, to notify the Commission of any changes in the company structure, and to file one or more compliance reports.

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

**Donald S. Clark,**

*Secretary.*

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## GENERAL SERVICES ADMINISTRATION

### Proposed Collection; Comment Request Entitled Nondiscrimination in Federal Financial Assistance Programs

**AGENCY:** Office of Equal Employment Opportunity, GSA.