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FEDERAL TRADE COMMISSION
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8 **UNITED STATES DISTRICT COURT**
9 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**
10 **San Francisco Division**

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15 FEDERAL TRADE COMMISSION,
16 Plaintiff,

17 v.

18 LUMOS LABS, INC., a corporation
19 d/b/a LUMOSITY
and
20 KUNAL SARKAR, and
MICHAEL SCANLON,
21 Individually and as officers of LUMOS
LABS, INC.,
22

23 Defendants.
24

Case No _____

**COMPLAINT FOR PERMANENT
INJUNCTION AND OTHER
EQUITABLE RELIEF**

25 Plaintiff, the Federal Trade Commission ("Commission" or "FTC"), for its Complaint
26 alleges:
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COMPLAINT

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1 related to memory, attention, intelligence, brain, cognition, dementia, and Alzheimer's disease.
2 Defendants have also engaged in an extensive email marketing campaign to subscribers and free
3 trial uses.
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5 Advertising Claims

6 18. To induce consumers to purchase Luminosity Program, Defendants have
7 disseminated, or caused to be disseminated, advertisements, including, but not limited to, t
8 attached Exhibits A through N. These advertisements contain the following statements and
9 depictions, among others:
10

11 A. Rowan TV ad (Exhibit A)

12 MALE SPEAKER: I can tell a big difference, decisions come quicker,
13 I'm more productive. It's serious brain training, it just feels like games.
14 Well, Luminosity.com is based on neuroscience, so I figured if I want to get
15 smart, I have to start smart, you know.

16 VOICEOVER: No matter why you want a better brain, Luminosity.com can
17 help. It's like a personal trainer for your brain, improving your
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* * *

Built on proven neuroscience research

1	[image of cell phone]	Improving productivity and precision at work or
2	[image of laptop]	home
3	[image of target]	Concentrating while learning something new
4		Avoiding distractions

* * *

Designed by neuroscientists

Lumosity exercises are designed by neuroscientists and continually evaluated through independent research studies at institutions such as Harvard, Stanford, and UC Berkeley.

* * *

Completed Research behind Lumosity

* * *

Lumosity can improve key skills that affect quality of life

* * *

Lumosity game performance is linked to when users train

* * *

Largescale study on how students can benefit from Lumosity

1204 students from 40 different schools participated in a semester study of Lumosity in the classroom. Students who supplemented their regular curricula with Lumosity training improved more than a control group on a battery of cognitive assessments.

* * *

Lumosity increases prefrontal cortex activity in cancer survivors

A published study by Dr. Shelli Kesler of Stanford University Medical School shows that Lumosity can improve cognition in childhood cancer survivors. 23 pediatric cancers survivors completed 40 sessions of Lumosity training to combat “chemofog”—and they significantly increased processing speed,

1 Lumosity training to improve outcomes in combat veterans suffering from
2 traumatic brain injuries

3 * * *

4 C. Brain Trainer mobile app capture, April 8, 2013 (Exhibit C)

5 **Brain Trainer by Lumosity.com**

6 * * *

7
8 Results indicate that Lumosity can improve a
9 wide variety of core cognitive skills – from
10 attention and memory to intelligence and math
11 skills. These improved abilities can help people
12 do better in school, perform more effectively at
13 work, and live a more productive life. Learn
14 more about the science behind Lumosity in the
15 Science section.

16 * * *

17 D.

1 performance in healthy adults

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4 **Why this study matters**

5 * * *

6 This study shows that Lumosity training is
7 something that can stick with you beyond the
8 games. Whether at home, at work, or at play,
9 the benefits of Lumosity training can enhance
10 certain cognitive functions that you rely upon in
11 different aspects of life. You use working
12 memory to juggle complex ideas at work, and
13 visual attention to focus on important
14 information

15 * * *

- 16 E. “Lumosity in the Classroom Can Positively Impact Students” blog post,
17 June 4, 2003 (Exhibit E)

18 **Lumosity in the classroom can positively impact students**

19 * * *

20 So far, results are promising: LEAP students who trained with Lumosity
21 improved scores on standardized tests of cognitive ability.

22 **The link between Lumosity and classroom learning**

23 In any learning process, strong core cognitive abilities provide students of
24 all ages with the mental scaffolding to support more complex activities
25 such as formulating an argument, writing a creative story, and navigating
26 social situations. Researchers have found that core cognitive abilities such
27 as working memory and processing speed are factors for educational
28 achievement in math, science, and reading.

* * *

How Lumosity impacted student performance

* * *

1 After analyzing data from 45 LEAP schools in 6 countries, we found that
2 students who trained with Lumosity for a semester showed significant
3 improvements in assessment scores compared to students who kept to a
4 standard academic schedule.

5 * * *

- 6 F. "Lumosity's Athlete Testimonial Contest" blog post, June 25, 2012
(Exhibit F)

7 **Lumosity's Athlete Testimonial Contest!**

8 **STRONG MIND, STRONG BODY**

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10 *"Lumosity helps me stay focused*
11 *during the last mile of the race."*

12 Show us how Lumosity has helped take
13 your athletic abilities to the next level for
14 the chance to win a Lifetime Subscription,
15 the new iPad, and more!

16 * * *

17 The best athletes don't just have strong bodies. They also have strong
18 minds equipped with excellent attention, great memory for routines,
19 incredible flexibility for adapting to new situations, and reaction speeds
20 quick enough to handle any incoming ball, puck, or challenge. No matter
21 what kind of athlete you are, it's possible to enhance these skills using
22 Lumosity!

23 Has Lumosity training helped YOU become a better athlete? Then enter
24 the Lumosity Athlete Testimonial Contest by sharing your story and a
25 photo of you engaged in an athletic pursuit!

26 * * *

- 27 G. "How Brain Training Can Improve Your Athletic Game" blog post,
28 August 30, 2011 (Exhibit G)

How Brain Training Can Improve Your Athletic Game

* * *

1 I. Pandora radio ad (Exhibit)

2 ANNOUNCER: Hey, Pandora listener. Can you remember ~~name~~ of
3 that song you just heard? Most people find that memory declines with age.
4 But your memory doesn't have to. Control and improve your memory with
5 Lumosity.com, the personal trainer for your brain.

6 Designed by neuroscientists and used by 25 million people, Lumosity
7 employs the science of neuroplasticity to improve your memory and
8 attention. Try a quick brain workout today. Visit Lumosity.com.

9 J. "Select Your Subscription" website capture (Exhibit)

10 **Benefits Everyone**

11 In 2007, we learned ~~that~~ my mother had early
12 onset Alzheimer's. I joined Lumosity at first for
13 my mother. I now use this site not only for her,
14 but for my brain as well.

15 K. "The Benefits of Cognitive Reserve" blog post, January 24, 2011 and
16 "Cognitive Reserve and the Effects of Aging" email to Lumosity users
17 (Exhibit K)

18 **The Benefits of Cognitive Reserve**

19 By Joe Hardy

20 Exercising your brain at a young age can protect your cognitive abilities as
21 you get older, a team of researchers at the University of California, San
22 Francisco recently reported in the *Journal of American Medical*
23 *Association*. Led by Dr. Kristine Yaffe, the researchers followed a group
24 of close to 1,000 individuals for nine years, measuring brain function and
25 taking blood samples along the way.

26 They found that levels of several compounds in the bloodstream – called
27 betaamyloids – predicted subsequent cognitive decline. These
28 compounds are related to Alzheimer's Disease, so this relationship is not
entirely surprising. ~~The~~ protective effects of brain exercise were more
interesting. The researchers found that people with high levels of
cognitive reserve – as measured by previous experiences with cognitively
stimulating activities like education – were relatively protected ~~against~~
cognitive decline associated with these chemical changes. In other words,
if you take two people with the same levels of blood plasma beta

1 time, attention in class, and ~~my~~ test scores! Without Lumosity I wouldn't be this successful! I'd
2 recommend it to anyone and everyone!

3 **VIOLATIONS OF THE FTC ACT**

4 22. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive acts
5 or practices in or affecting commerce.

6 23. Misrepresentations or deceptive omissions of material fact constitute deceptive
7 acts or practices prohibited by Section 5(a) of the FTC Act.

8 24. Section 12 of the FTC Act, 15 U.S.C. § 52, prohibits the dissemination of any
9 false advertisement in or ~~aff~~ affecting commerce for the purpose of inducing, or which is likely to
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