

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

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) DOCKET NO. C-3753

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COMPLAINT

The Federal Trade Commission, having reason to believe that Guildwood Direct Limited ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Guildwood Direct Limited is a Delaware corporation with its principal office or place of business at 1402 Pine Avenue, MPO Box 2130, Niagara Falls, New York 14302.

2. Respondent has advertised, labeled, offered for sale, sold and distributed to the public Slimming Insoles, shoe insoles purported to cause weight loss by stimulating certain areas of the feet. Slimming Insoles are "devices," within the meaning of Sections 12 and 15 of the Federal Trade Commission Act. Advertisements for these products have appeared in the following publications: *The Salt Lake Tribune, The Denver Post, The Modesto Bee, The New York Post, The St. Louis Post, American Woman, Crochet World, Soap Opera Update, Women's Own, Low Fat Meals* and *Beautiful Brides*, and have been distributed as free standing inserts by News America.

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

4. Respondent has disseminated or has caused to be disseminated advertisements for Slimming Insoles, including but not necessarily limited to the attached Exhibits A through C. These advertisements contain the following statements:

A. "REVOLUTIONARY EUROPEAN WEIGHT LOSS METHOD GUARANTEED BY DOCTOR!

"I LOST 74 POUNDS" Angela Meisel

The first and only massage insole in the world that reduces weight and regulates the digestive system!

Now, join the over 370,000 Europeans who have discovered the secret to weight loss!

For years Dr. Robert Metz, a European doctor and nutritionist, has been studying weight reduction by natural methods. His revolutionary invention Erina Solum (Slimming Insoles) is his brilliant breakthrough.

NOW AVAILABLE IN THE U.S.A.!

The first and only massage insole in the world which reduces weight and regulates the digestion system is now available in the U.S.A.!

ACUPRESSURE - A 5000 YEAR OLD CHINESE THERAPY!

Over 5000 years ago the Chinese discovered a natural way to stimulate the inner organs via the reflex zones of the soles of the feet. (The English neurologists Dr. Head and Dr. Fitzgerald have proved this natural Chinese philosophy). The unique effectiveness of Dr. Metz's Slimming Insoles works on this same completely natural method. With every step you take the insoles massage the reflex zones of the kidneys, bladder and stomach gently but effectively.

Since overweight problems are often linked to the under-performance of the dietary system, it should be

stimulated to function effectively so the bodies [sic] metabolism works normally and does not store excess fat!

- No Dieting ●No Pills
- No Nervousness
- No Frantic Exercising
- No Strange Formulas
- No Special Foods to Buy

HELP TURN ON YOUR BODY'S FAT BURNING PROCESS!

When the digestive organs are stimulated, the body burns stored up fat in a natural way and digestion returns to normal... You lose weight, simply by everyday walking. The result is a fabulous figure in a natural way.

EVERY STEP GENTLY MASSAGES YOUR REFLEX ZONES KEEPING YOU [sic] METABOLISM WORKING.

...

This effect is based on the principle of Reflexology. All the body's organs have a reflex point on the soles of the feet. When these points are massaged the functions of the corresponding organ are stimulated. Dr. Metz discovered that this massage can also be effected by walking. The insole knobs are arranged so they massage the reflex zones of the body, stimulating the dietary system and metabolic function. **So, get in step with this new European technology and start looking and feeling great!**

MEDICAL TEST RESULTS * VERY GOOD * 478 PEOPLE TESTED

TESTIMONIALS ABOUND

"During 4 weeks I lost 6 pounds, the same happened to all of my friends." **Carmen Schlashter**

"I lost 8 pounds within 8 weeks... Above all I like them (Slimming Insoles) because it's so easy to lose weight."
Mrs. Petra Jung

"I have lost 10 pounds without torturing myself." **Gabriele Geiger**

"I can recommend it to everyone because it's not only to lose weight but they make you feel physically fit." **Carmen Steffens-Baum**

"I'LL STAKE MY MEDICAL REPUTATION ON IT."

R METZ, MD

DR. METZ SLIMMING INSOLES GUARANTEE:

Step by step the Slimming Insoles will help you become slimmer, healthier and feel more alive! You will be able to control your weight, and rid your body of the flab while aiding your dietary system. They WILL work for you, or we'll refund every cent you paid for them. NO questions asked." (Exhibit A - Print Advertisement).

B. [Heading at top of page:]

"ADVANCE BIO/NATURAL
RESEARCH LABS

RESEARCH REPORTS

DATA CONTROL

FILE NO 97644KC
CASE HISTORIES [illegible]
TEST GROUP NC-46009

CASE FILE REGARDING:

DR. ROBERT METZ, M.D. SLIMMING INSOLES

STATEMENT:

Tens of Thousands of Europeans have lost weight using Dr. Robert Metz's, M.D. [sic] Slimming Insoles

...

CASE 2

Control Weight Loss Evaluation on 478 Europeans Using Dr. Robert Metz's Slimming Insoles.

The Dr. Metz Slimming Insoles were distributed to a control group of 478 individuals. The results are as follows:

58% of the individuals tested lost 14 lbs. or more.

27% of the individuals tested lost 10 lbs. to 14 lbs.

15% of the individuals tested lost up to 10 lbs.

The Medical Weight Loss Evaluation is considered "VERY GOOD"

...

CASE 7

Individual Success Story - Subject Gabriele Geiger

"I have lost 10 lbs. without torturing myself with some kind of diet and without appetite reducers. I always had my difficulties with diets and afterwards I always gained back the weight I lost, sometimes even more than I had lost...I recommend Dr. Metz's Slimming Insoles to everyone.

...

CONCLUSION

Overall results indicate that Dr. Robert Metz's Slimming Insoles have a positive weight loss result on a large number of individuals." (Exhibit B - Direct Mail Advertisement).

- C. "Would you like to lose 10 lbs. like 15% of the test group did...or 14 lbs. like 27% did...or over 14 lbs. like 58% did? Or would you like to lose 20 lbs...30 lbs....50 lbs. or even 74 lbs. like Angela Meisel did -- without dieting or exercising?"

Then you must read this important message and join the over 370,000 Europeans who have discovered a NEW secret to weight loss!

Dear Friend,

I am very anxious to tell you the exciting news of a weight loss method that is sweeping Europe. A European Doctor has made what many consider to be a major breakthrough with a natural weight loss method. His name is Dr. Robert Metz and he is a medical doctor specializing in weight loss and control. In Europe, over 370,000 weight conscious individuals are now using Dr. Metz's All Natural Weight Loss Method.

Clinically tested in Europe among a group of 478 people, the medical test results were announced as "Very Good"!. A second controlled and monitored test concluded Dr. Metz's weight loss system "as an effective method to fight off excess pounds" - with a 14 lb. weight loss achieved during the test period!

Happy Europeans have been sending Dr. Metz letters of thanks and appreciation, claiming weight losses of up to 74 lbs. And the losses were all achieved without dieting, strenuous exercising, or taking harmful pills and without buying costly, special foods.

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Wouldn't you like to lose those extra pounds you put on over the years...And would you like to achieve all this without dieting or strenuous exercising?

...

**Trigger Your Body's Natural Fat Burning Process
And Turn Food Into Energy--Not Fat!**

After years of weight loss research, Dr. Metz discovered the value of reflexology, a natural method where the body's organs are stimulated to function more efficiently. Specific areas on the bottom of the feet can be massaged to stimulate the body's digestive organs. When the digestive organs are stimulated, the body burns the food we eat, turning it into energy, NOT FAT. In addition, the body's metabolism is activated and in this state it begins to burn stored up fat. The problem was how do you periodically massage the bottom of the feet in a convenient, cost effective manner?

A Weight Loss Method Designed For The 21st Century!

Dr. Metz and a team of specialists brilliantly solved the problem! They developed a pair of insoles with massaging knobs strategically placed on the insoles that come in contact with the bottom of the feet. Called Slimming Insoles, they gently massage the reflex zones on the bottom of the feet and stimulate the body's digestive and metabolic system. These insoles fit comfortably into any normal shoe and with every step you take, the insoles keep your digestive furnace burning fat.

Dr. Metz's Slimming Insoles Are The First And Only Insoles That Reduce Weight And Regulate The Digestive System.

Now it's your turn to find out what hundreds of thousands of Europeans already know about Dr. Metz's amazing weight loss method. By wearing the Slimming Insoles, you will experience all day comfort, and begin to lose weight in a sensible, natural, clinically proven way!

I have no doubt that the insoles will work for you as well as they have for thousands of happy, slimmer Europeans. So why not get in step and begin losing weight with every step. Dr. Metz and I are so sure that you will be thrilled with your progress - we both GUARANTEE IT. However, if for any reason you are not 100% satisfied, return the insoles for a complete refund -- no questions asked." (Exhibit C - Direct Mail Advertisement).

5. Through the trade name "Slimming Insoles," and the means described in Paragraph 4, respondent has represented, expressly or by implication, that:
 - A. Slimming Insoles cause significant weight loss.
 - B. Slimming Insoles cause significant weight loss without changes in diet or exercise.
 - C. Testimonials from consumers appearing in the advertisements for Slimming Insoles reflect the typical or ordinary experience of members of the public who have used the product.

6. Through the trade name "Slimming Insoles," and the means described in Paragraph 4, respondent has represented, expressly or by implication, that it 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, respondent 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, respondent has represented, expressly or by implication, that scientific studies demonstrate that Slimming Insoles cause significant weight loss without changes in diet or exercise.

9. In truth and in fact, scientific studies do not demonstrate that Slimming Insoles cause significant weight loss without changes in diet or exercise. Therefore, the representation set forth in Paragraph 8 was, and is, false or misleading.

10. Through the means described in Paragraph 4, respondent has represented, expressly or by implication, that Advance Bio/Natural Research Labs is a bona fide, independent research organization that has published a report containing the results of valid, independent testing of the Slimming Insoles.

11. In truth and in fact, Advance Bio/Natural Research Labs is not a bona fide, independent research organization that has published a report containing the results of valid, independent testing of the Slimming Insoles. Advance Bio/Natural Research Labs is a fictitious trading name utilized by Guildwood Direct Limited in its advertising. Therefore, the representation set forth in Paragraph 10 was, and is, false or misleading.

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

THEREFORE, the Federal Trade Commission this sixteenth day of June, 1997, has issued this complaint against respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL:

[Exhibits A-C attached to paper copies of complaint, but not available in electronic form.]