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FEDERAL TRADE COMMISSION  
CENTRAL DISTRICT OF CALIF.  
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CENTRAL DISTRICT OF CALIFORNIA  
BY [Signature] DEPUTY

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,  
  
Plaintiff,  
  
v.  
  
ENFORMA NATURAL PRODUCTS,  
INC. and ANDREW GREY,  
  
Defendants,  
  
and  
  
TWENTY-FOUR SEVEN, LLC,  
MICHAEL EHRMAN and DONNA  
DiFERDINANDO,  
  
Respondents.

CV 00-04376-SVW (CWx)

[proposed]  
**STIPULATED FINAL ORDER  
FOR PERMANENT INJUNCTION  
AND SETTLEMENT OF CLAIMS  
FOR MONETARY RELIEF AS TO  
DEFENDANTS ENFORMA  
NATURAL PRODUCTS, INC. AND  
ANDREW GREY, AND  
RESPONDENTS MICHAEL  
EHRMAN AND TWENTY-FOUR  
SEVEN, LLC**

INTRODUCTION AND PROCEDURAL HISTORY

On May 11, 2000, the Court entered a Stipulated Final Order and Settlement of Claims for Monetary Relief as to Defendants Enforma Natural Products, Inc. ("Enforma") and Andrew Grey ("Grey") (the "Stipulated Final Order") in this case. Paragraph XVI of that Stipulated Final Order specifically retains this Court's "jurisdiction of this matter for purposes of construction, modification, and enforcement . . . ."

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1 On January 4, 2002, Plaintiff, the Federal Trade Commission  
2 (“Commission”) filed its first of two applications for an Order to Show Cause,  
3 seeking a finding of civil contempt against Defendants Enforma and Grey, and  
4 Respondent Michael Ehrman (“Ehrman”) in connection with the post-Stipulated  
5 Final Order marketing of Fat Trapper, Fat Trapper Plus and Exercise In A Bottle.

6 On July 23, 2002, the Commission filed its second application for an Order  
7 to Show Cause, seeking a temporary restraining order, a preliminary injunction  
8 and a finding of civil contempt against Defendants Enforma and Grey and  
9 Respondents Twenty-Four Seven, LLC (“Twenty-Four Seven” or “24/7”) and  
10 Donna DiFerdinando (“DiFerdinando”) in connection with the post-Stipulated  
11 Final Order marketing of Acceleron and Chitozyme.

12 The Commission and Defendants Enforma and Grey, hereinafter referred to  
13 collectively as “Defendants,” and Respondents Ehrman and 24/7, hereinafter  
14 referred to collectively as “Respondents,” have stipulated to the entry of the  
15 following Stipulated Final Order for Permanent Injunction and Settlement of  
16 Claims for Monetary Relief as to Defendants Enforma Natural Products, Inc. and  
17 Andrew Grey, and Respondents Michael Ehrman and Twenty-Four Seven, LLC  
18 (“Order”) in settlement of the Commission’s first and second applications for  
19 Orders to Show Cause against them. The Court, being duly advised in the  
20 premises, finds:

21  
22 **FINDINGS**

- 23 1. This Court has jurisdiction over the subject matter of this case and it  
24 has jurisdiction over all parties hereto.
- 25 2. Venue lies properly with this Court.
- 26 3. The January 4, 2002 and July 23, 2002 civil contempt applications  
27 state a claim upon which relief can be granted, and the Commission has the  
28 authority to seek the relief which is stipulated to in this Order.

1           4.     The acts and practices of Defendants and Respondents were and are  
2 in or affecting commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

3           5.     Defendants and Respondents waive all rights to seek judicial review  
4 of, or otherwise to challenge or contest the validity of, this Order. Defendants and  
5 Respondents also waive any claim that they may have held under the Equal Access  
6 to Justice Act, 28 U.S.C. § 2412, concerning the prosecution of this action to the  
7 date of this Order, and concerning the prosecution of *FTC v. Garvey*, CV-00-  
8 09358-GAF (C.D. Cal.). The Plaintiff waives its right to pursue any de novo  
9 action based on Defendants' and Respondents' acts and practices to the date of  
10 this Order.

11           6.     Each party shall bear its own costs and attorneys' fees.

12           7.     Entry of this Order is in the public interest.

13           8.     Pursuant to Federal Rule of Civil Procedure 65(d), the provisions of  
14 this Order are binding upon Defendants and Respondents, and their officers,  
15 agents, servants, employees and all other persons or entities in active concert or  
16 participation with them, who receive actual notice of this Order by personal service  
17 or otherwise.

18           9.     Defendants and Respondents expressly deny any wrongdoing or  
19 liability for any of the matters alleged in the two civil contempt applications.  
20 There have been no findings or admissions of wrongdoing or liability by the  
21 Defendants or Respondents.

22           10.    Nothing in this Order obviates Defendants' and Respondents'  
23 obligation to comply with Sections 5 and 12 of the Federal Trade Commission Act,  
24 15 U.S.C. §§ 45, 52.

25           11.    This Order was drafted jointly by Plaintiff, Defendants, and  
26 Respondents and reflects the negotiated agreement among the parties.



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E. "Food," "drug," and "device" shall mean as defined in Section 15 of the FTC Act, 15 U.S.C. § 55. For purposes of this Order only, "device" does not mean or include exercise equipment.

F. "Video advertisement" means any advertisement intended for dissemination through television broadcast, cablecast, home video, theatrical release, or via interactive media such as the Internet or an online service.

G. "Clearly and prominently" means as follows:

(1) In an advertisement communicated through an electronic medium, the disclosure shall be presented simultaneously in both the audio and video portions of the advertisement. *Provided, however,* that in any advertisement presented solely through video or audio means, the disclosure may be made through the same means in which the advertisement is presented. The audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. The video disclosure shall be of a size and shade, and shall appear on the screen for a duration, sufficient for an ordinary consumer to read and comprehend it. In addition to the foregoing, in interactive media the disclosure shall also be unavoidable and shall be presented prior to the consumer incurring any financial obligation.

(2) In a print advertisement, promotional material, or instructional manual, the disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background against which it appears. In multipage documents, the disclosure shall appear on the cover or first page.

1 (3) On a product label, the disclosure shall be in a type size and  
2 location on the principal display panel sufficiently noticeable  
3 for an ordinary consumer to read and comprehend it, in print  
4 that contrasts with the background against which it appears.

5 The disclosure shall be in all of the languages that are present in the  
6 advertisement. Nothing contrary to, inconsistent with, or in mitigation of the  
7 disclosure shall be used in any advertisement or on any label.

8 H. "Competent and reliable scientific evidence" means tests, analyses,  
9 research, studies, or other evidence based on the expertise of professionals in the  
10 relevant area, that have been conducted and evaluated in an objective manner by  
11 persons qualified to do so, using procedures generally accepted in the profession to  
12 yield accurate and reliable results.

13 I. "Endorsement" shall mean as defined in 16 C.F.R. § 255.0.  
14

## 15 PROHIBITED BUSINESS ACTIVITIES

### 16 I.

17 **IT IS HEREBY ORDERED** that Defendants and Respondents, directly or  
18 through any corporation, partnership, subsidiary, division, trade name, or other  
19 device, and their officers, agents, servants, employees and attorneys, and all other  
20 persons or entities in active concert or participation with them who receive actual  
21 notice of this Order, by personal service or otherwise, are hereby permanently  
22 restrained and enjoined from the manufacturing, labeling, packaging, advertising,  
23 promotion, offering for sale, sale or distribution of any weight loss product.  
24

### 25 II.

26 **IT IS FURTHER ORDERED** that Defendants and Respondents, directly  
27 or through any corporation, partnership, subsidiary, division, trade name, or other  
28 device, and their officers, agents, servants, employees, and attorneys, and all

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1 persons or entities in active concert or participation with them who receive actual  
2 notice of this Order, by personal service or otherwise, in connection with the  
3 manufacturing, labeling, advertising, promotion, offering for sale, sale, or  
4 distribution of any dietary supplement, food, drug, or device, in or affecting  
5 commerce, are hereby permanently restrained and enjoined from making or  
6 assisting others in making, expressly or by implication, including through the use  
7 of endorsements or product names, any representation about the benefits,  
8 performance, or efficacy of any such dietary supplement, food, drug, or device  
9 product unless, at the time the representation is made, Defendants and  
10 Respondents possess and rely upon competent and reliable scientific evidence that  
11 substantiates the representation.

12  
13 **PROHIBITION ON MISREPRESENTING TESTS OR STUDIES**

14 **III.**

15 **IT IS FURTHER ORDERED** that Defendants and Respondents, directly  
16 or through any corporation, partnership, subsidiary, division, or other device, and  
17 their officers, agents, servants, employees, and attorneys, and all other persons or  
18 entities in active concert or participation with them who receive actual notice of  
19 this Order, by personal service or otherwise, in connection with the manufacturing,  
20 labeling, packaging, advertising, promotion, offering for sale, sale, or distribution  
21 of any product, service or program, in or affecting commerce, shall not  
22 misrepresent, in any manner, expressly or by implication, the existence, contents,  
23 validity, results, conclusions or interpretations of any test, study, or research.

24  
25 **TRADE NAME EXCISION**

26 **IV.**

27 **IT IS FURTHER ORDERED** that Defendants and Respondents, directly  
28 or through any corporation, partnership, subsidiary, division, or other device, and

1 their officers, agents, servants, employees and attorneys, and all other persons or  
2 entities in active concert or participation with them who receive actual notice of  
3 this Order, by personal service or otherwise, in connection with the licensing, SAMPLE  
4 manufacturing, labeling, packaging, advertising, promotion, offering for sale, sale  
5 or distribution of any products, trade names, trademarks, services or programs in  
6 or affecting commerce, shall immediately cease using, and shall not sell, rent,  
7 lease, license or otherwise transfer, or permit others to use, the trade names or  
8 trademarks "Carb Trapper Plus," "Dessert Avert," "Exercise In A Bottle," "Fat  
9 Trapper," "Fat Trapper Plus" and "Hunger Ease" and shall immediately destroy all  
10 packages, labels, advertisements and marketing materials bearing those trade  
11 names in their possession, custody or control.

## 12 13 **PAID ADVERTISEMENTS AND DISCLOSURES**

### 14 **V.**

15 **IT IS FURTHER ORDERED** that Defendants and Respondents, directly  
16 or through any corporation, subsidiary, division, or other device, in connection  
17 with the labeling, advertising, promotion, offering for sale, sale, or distribution of  
18 any product or program in or affecting commerce, shall not create, produce, sell,  
19 or disseminate:

20 A. Any advertisement that misrepresents, directly or by implication, that  
21 it is not a paid advertisement;

22 B. Any television commercial or other video advertisement fifteen (15)  
23 minutes in length or longer or intended to fill a broadcasting or cablecasting time  
24 slot of fifteen (15) minutes in length or longer that does not display visually,  
25 clearly and prominently, and for a length of time sufficient for an ordinary  
26 consumer to read, within the first thirty (30) seconds of the advertisement and  
27 immediately before each presentation of ordering instructions for the product or  
28 service, the following disclosure:



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1 "THE PROGRAM YOU ARE WATCHING IS A PAID  
2 ADVERTISEMENT FOR [THE PRODUCT OR SERVICE]."

3 Provided that, for the purposes of this provision, the oral or visual  
4 presentation of a telephone number, e-mail address or mailing address for viewers  
5 to contact for further information or to place an order for the product or service  
6 shall be deemed a presentation of ordering instructions so as to require the display  
7 of the disclosure provided herein; or

8 C. Any radio commercial or other radio advertisement five (5) minutes in  
9 length or longer that does not broadcast, clearly and audibly, within the first thirty  
10 (30) seconds of the advertisement and immediately before each presentation of  
11 ordering instructions for the product or service, the following disclosure:

12 "THE PROGRAM YOU ARE LISTENING TO IS A PAID  
13 ADVERTISEMENT FOR [THE PRODUCT OR SERVICE]."

14 Provided that, for the purposes of this provision, the presentation of a telephone  
15 number, e-mail address or mailing address for listeners to contact for further  
16 information or to place an order for the product or service shall be deemed a  
17 presentation of ordering instructions so as to require the announcement of the  
18 disclosure provided herein.

19  
20 **EQUITABLE MONETARY RELIEF**

21 **VI.**

22 **IT IS FURTHER ORDERED** that:

23 A. Defendants and Respondents shall, jointly and severally, pay to the  
24 Commission for consumer redress or disgorgement to the United States Treasury,  
25 or both, three hundred thousand (\$300,000.00) dollars. In fulfilling this obligation,  
26 Defendants and Respondents shall, within five (5) days of the entry of this Order,  
27 deposit the sum of three hundred thousand (\$300,000.00) dollars by electronic  
28

1 funds transfer into an escrow account to be established by the Commission for the  
2 purpose of receiving the payment due under the provisions of this Order.

3 B. All funds paid pursuant to this Order shall be deposited into a fund  
4 administered by the Commission or its agent to be used for equitable relief,  
5 including but not limited to consumer redress, and any attendant expenses for the  
6 administration of such equitable relief. These funds shall, in the discretion of the  
7 Commission, be used to provide refunds to consumers who purchased from  
8 Defendants and Respondents the products Fat Trapper Plus, Exercise In A Bottle,  
9 Acceleron, or Chitozyme from the time period of May 12, 2000 to the date of the  
10 entry of this Order.

11 C. In the event that direct redress to consumers is wholly or partially  
12 impracticable or funds remain after redress is completed, such funds shall be  
13 deposited to the United States Treasury as disgorgement. Defendants and  
14 Respondents shall have no right to challenge the Commission's choice of remedies  
15 under this Part. Defendants and Respondents shall have no right to contest the  
16 manner of distribution chosen by the Commission. No portion of any payments  
17 under the judgment herein shall be deemed a payment of any fine, penalty, or  
18 punitive assessment.

19 D. Defendants and Respondents relinquish all dominion, control, and title  
20 to the funds paid to and property transferred to the Commission, for use according  
21 to the terms of this Order. Defendants and Respondents shall make no claim to or  
22 demand for the return of the funds, directly or indirectly, through counsel or  
23 otherwise; and in the event of bankruptcy of any Defendant or Respondent,  
24 Defendants and Respondents acknowledge that the funds are not part of the  
25 debtor's estate, nor does the estate have any claim or interest therein.

1 **CUSTOMER LISTS**

2 **VII.**

3 **IT IS FURTHER ORDERED** that, except as provided in this Order, 5  
4 Defendants, Respondents, and their officers, agents, servants, employees, and  
5 attorneys and all other persons or entities who receive actual notice of this Order  
6 by personal service or otherwise, are permanently restrained and enjoined from  
7 selling, renting, leasing, transferring, or otherwise disclosing the name, address,  
8 telephone number, credit card number, bank account number, e-mail address, or  
9 other identifying information of any person obtained as a result of paying any  
10 money to any Defendant or Respondent, at any time prior to entry of this Order, in  
11 connection with the purchase of any weight loss product. *Provided, however,* that  
12 Defendants and Respondents may disclose such identifying information to any law  
13 enforcement agency, or as required by any law, regulation, or court order.  
14

15 **RIGHT TO REOPEN**

16 **VIII.**

17 **IT IS FURTHER ORDERED** that, within five (5) days after the date of  
18 entry of this Order, Defendant Grey, individually and on behalf of (a) Defendant  
19 Enforma and (b) Respondent 24/7; and Respondent Ehrman, shall each execute  
20 and submit to the Commission a truthful sworn statement that shall acknowledge  
21 receipt of this Order. The Commission's agreement to this Order is expressly  
22 premised on the truthfulness, accuracy, and completeness of Defendants' and  
23 Respondents' financial condition as reflected in the totality of the information  
24 provided in the "Financial Statement of Individual Defendant" Grey, dated January  
25 29, 2004; the "Financial Statement of Corporate Defendant" Enforma, dated  
26 January 29, 2004; Respondent Ehrman's "Financial Statement of Individual  
27 Defendant," dated February 11, 2004; and the Balance Sheets as of December 31,  
28 2003 of Completely Direct, Inc., Greater Capital Resources, XS Capital Unlimited

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1 LLC, NeoShaper Fitness Products, LLC, Interactive Technologies, Inc., and Riot  
2 Direct, LLC. If, upon motion by the Commission, the Court finds that:

- 3 1. the financial information contained in the "Financial Statement of  
4 Individual Defendant" Grey, dated January 29, 2004; the "Financial  
5 Statement of Corporate Defendant" Enforma, dated January 29, 2004;  
6 and the Balance Sheets as of December 31, 2003 of Completely  
7 Direct, Inc., Greater Capital Resources, XS Capital Unlimited LLC,  
8 NeoShaper Fitness Products, LLC, Interactive Technologies, Inc., and  
9 Riot Direct, LLC failed to disclose any material asset, materially  
10 misrepresented the value of any asset, or made any other material  
11 misrepresentation or omission, the Court shall enter judgment for  
12 consumer redress against Defendants and Respondent 24/7, jointly  
13 and severally, in favor of the Commission, in the amount of four  
14 million dollars (\$4,000,000); or
- 15 2. the financial information contained in Respondent Ehrman's  
16 "Financial Statement of Individual Defendant," dated February 11,  
17 2004 failed to disclose any material asset, materially misrepresented  
18 the value of any asset, or made any other material misrepresentation  
19 or omission, the Court shall enter judgment for consumer redress  
20 against Respondent Ehrman in favor of the Commission, in the  
21 amount of four million dollars (\$4,000,000)

22 *provided, however*, that in all other respects this Order shall remain in full force  
23 and effect unless otherwise ordered by the Court; and, *provided further*, that  
24 proceedings instituted under this Part would be in addition to, and not in lieu of,  
25 any other civil or criminal remedies as may be provided by law, including any  
26 other proceedings that the Commission may initiate to enforce this Order. For  
27 purposes of enforcing this Part only, Defendants and Respondents waive any right  
28 to contest any of the allegations in the Complaint.

## COMPLIANCE MONITORING

### IX.

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3 **IT IS FURTHER ORDERED** that, for the purpose of monitoring and  
4 investigating compliance with any provision of this Order,

5 A. Within ten (10) days of receipt of written notice from a representative  
6 of the Commission, Defendants and Respondents each shall submit additional  
7 written reports, sworn to under penalty of perjury; produce documents for  
8 inspection and copying; appear for deposition; and/or provide entry during normal  
9 business hours to any business location in such Defendants' or Respondents'  
10 possession or direct or indirect control to inspect the business operation;

11 B. In addition, the Commission is authorized to monitor compliance with  
12 this Order by all other lawful means, including but not limited to the following:

- 13 1. obtaining discovery from any person, without further leave of  
14 court, using the procedures prescribed by Fed. R. Civ. P. 30, 31,  
15 33, 34, 36, and 45;
- 16 2. posing as consumers and suppliers to Defendants and  
17 Respondents, their employees, or any other entity managed or  
18 controlled in whole or in part by Defendants and Respondents,  
19 without the necessity of identification or prior notice;

20 *Provided* that nothing in this Order shall limit the Commission's lawful use of  
21 compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C.  
22 §§ 49, 57b-1, to obtain any documentary material, tangible things, testimony, or  
23 information relevant to unfair or deceptive acts or practices in or affecting  
24 commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

25 C. Defendants and Respondents shall permit representatives of the  
26 Commission to interview any employer, consultant, independent contractor,  
27 representative, agent, or employee who has agreed to such an interview, relating in  
28

1 any way to any conduct subject to this Order. The person interviewed may have  
2 counsel present.

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## 4 COMPLIANCE REPORTING BY DEFENDANTS AND RESPONDENTS

### 5 X.

6 **IT IS FURTHER ORDERED** that, in order that compliance with the  
7 provisions of this Order may be monitored:

8 A. For a period of five (5) years from the date of entry of this Order,  
9 Defendants and Respondents shall notify the Commission of any changes in  
10 corporate structure of Enforma, 24/7, or any business entity that Grey or Ehrman  
11 directly or indirectly control, or have an ownership interest in, whose business is  
12 within the subject matter of this Order, including Paragraphs I - V, including but  
13 not limited to a dissolution, assignment, sale, merger, or other action that would  
14 result in the emergence of a successor corporation; the creation or dissolution of a  
15 subsidiary, parent, or affiliate that engages in any acts or practices subject to this  
16 Order; the filing of a bankruptcy petition; or a change in the corporate name or  
17 address, at least thirty (30) days prior to such change, *provided* that, with respect to  
18 any proposed change in the corporation about which the Defendants and  
19 Respondents learn less than thirty (30) days prior to the date such action is to take  
20 place, Defendants and Respondents shall notify the Commission as soon as is  
21 practicable after obtaining such knowledge.

22 B. For a period of five (5) years from the date of entry of this Order,  
23 Defendant Grey and Respondent Ehrman shall notify the Commission of the  
24 following:

- 25 1. Any changes in their residence, mailing addresses, and  
26 telephone numbers, within ten (10) days of the date of such  
27 change;

- 1           2.    Any changes in employment status (including self-  
2           employment) of Grey or Ehrman, and any changes in the  
3           ownership of Grey or Ehrman in any business entity within ten  
4           (10) days of the date of such change. Such notice shall include  
5           the name and address of each business that Grey or Ehrman is  
6           affiliated with, employed by, creates or forms, or performs  
7           services for; a statement of the nature of the business; and a  
8           statement of Grey's or Ehrman's duties and responsibilities in  
9           connection with the business;
- 10          3.    Any changes in their name or use of any aliases or fictitious  
11          names.

12           C.    Ninety (90) days after the date of entry of this Order, Defendants and  
13 Respondents each shall provide a written report to the FTC, sworn to under  
14 penalty of perjury, setting forth in detail the manner and form in which they have  
15 complied and are complying with this Order. This report shall include, but not be  
16 limited to:

- 17           1.    For Defendant Grey and Respondent Ehrman:
  - 18           a.    Their then-current residence address, mailing addresses,  
19           and telephone numbers;
  - 20           b.    Their then-current employment and business addresses  
21           and telephone numbers, a description of the business  
22           activities of each such employer or business, and the title  
23           and responsibilities of Grey and Ehrman, for each such  
24           employer or business; and
  - 25           c.    Any other changes required to be reported under  
26           subparagraphs A and B of this Part.
- 27           2.    For all Defendants and Respondents:  
28

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- a. A copy of each acknowledgment of receipt of this Order, obtained pursuant to Part XII;
- b. Any other changes required to be reported under subparagraphs A and B of this Part; and
- c. Copies of all then current advertisements, promotional materials, sales scripts, training materials, or other marketing materials utilized by Defendants and Respondents in the advertising, marketing, promotion, offering for sale, distribution or sale of any dietary supplement, food, drug, or device in the United States.

D. For the purposes of this Order, Defendants and Respondents shall, unless otherwise directed by the Commission's authorized representatives, mail all written notifications to the Commission to:

Associate Director for Advertising Practices  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20580  
Re: FTC v. Enforma Natural Products, Inc., et al., Case No. 00-04376 SVW (CWx) (C.D. Cal.).

E. For purposes of the compliance reporting and monitoring required by this Order, Defendants and Respondents shall provide the Commission with their counsel's name and address for the purpose of communications regarding this Order and shall notify the Commission of any change in their counsel for the purpose of this Order.

**RECORD KEEPING PROVISIONS**

**XI.**

**IT IS FURTHER ORDERED** that, for a period of five (5) years from the date of entry of this Order, Defendant Grey and Respondent Ehrman, in connection with each business in which they, jointly or severally, are the majority



1 owners or an officer or director of the business, or directly or indirectly manage, or  
2 control the business and the business conducted is within the subject matter of this  
3 Order, including Paragraphs I - V, and their agents, employees, officers,  
4 corporations, successors, and assigns, and those persons in active concert or  
5 participation with them who receive actual notice of this Order by personal service  
6 or otherwise, are hereby restrained and enjoined from failing to create and retain  
7 the following records in connection with that business:

- 8       A.    Accounting records that reflect the cost of goods or services sold,  
9            revenues generated, and the disbursement of such revenues;
- 10       B.    Personnel records accurately reflecting: the name, address, and  
11            telephone number of each person employed in any capacity by such  
12            business, including as an independent contractor; that person's job  
13            title or position; the date upon which the person commenced work;  
14            and the date and reason for the person's termination, if applicable; and
- 15       C.    Copies of all sales scripts, training materials, advertisements, or other  
16            marketing materials.

17

18            **DISTRIBUTION OF ORDER BY DEFENDANTS AND RESPONDENTS**

19                    **XII.**

20            **IT IS FURTHER ORDERED** that, for a period of five (5) years from the  
21            date of entry of this Order,

- 22            A.    Defendant Enforma and Respondent 24/7 shall deliver a copy of this  
23            Order to all principals, officers, directors, and managers. Defendant  
24            Enforma and Respondent 24/7 also must deliver copies of this Order  
25            to all of their employees, agents, and representatives having  
26            responsibilities with respect to the subject matter of this Order, and  
27            shall secure from each such person a signed and dated statement  
28            acknowledging receipt of the Order, including Paragraphs I - V. For

1 current personnel, delivery shall be within five (5) days after the date  
2 of service of this Order upon Defendant Enforma and Respondent  
3 24/7. For new personnel, delivery shall occur prior to them assuming  
4 their responsibilities;

5 B. Defendant Grey and Respondent Ehrman shall deliver a copy of this  
6 Order to the principals, officers, directors, and managers of any  
7 business in which they, jointly or severally, control, directly or  
8 indirectly, or in which they have a majority ownership interest and the  
9 business conducted is within the subject matter of this order, including  
10 Paragraphs I - V. Defendant Grey and Respondent Ehrman must also  
11 deliver a copy of this Order to all employees, agents, and  
12 representatives of that business who engage in conduct related to the  
13 subject matter of this Order. For current personnel, delivery shall be  
14 within (5) days of service of this Order upon Defendant Grey and  
15 Respondent Ehrman. For new personnel, delivery shall occur prior to  
16 them assuming their responsibilities.

17 C. Defendants and Respondents must secure a signed and dated  
18 statement acknowledging receipt of the Order, within thirty (30) days  
19 of delivery, from all persons receiving a copy of the Order pursuant to  
20 this Part.

21  
22 **ACKNOWLEDGMENT OF RECEIPT OF ORDER**  
23 **BY DEFENDANTS AND RESPONDENTS**

24 **XIII.**

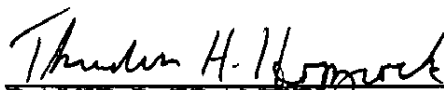
25 **IT IS FURTHER ORDERED** that each Defendant and Respondent, within  
26 five (5) business days of receipt of this Order as entered by the Court, must submit  
27 to the Commission a truthful sworn statement acknowledging receipt of this Order.  
28

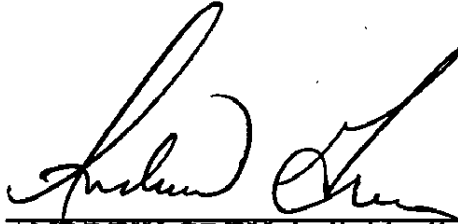
1 **RETENTION OF JURISDICTION**

2 **XIV.**


3 **IT IS FURTHER ORDERED** that this Court shall retain jurisdiction of this  
4 matter for purposes of construction, modification and enforcement of this Order.

5  
6 **SO STIPULATED:**

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8  
9   
10 DAVID P. FRANKEL  
11 **THEODORE H. HOPPOCK**  
12 Federal Trade Commission  
13 600 Pennsylvania Ave., N.W., Rm. S-4002  
14 Washington, D.C. 20580  
15 (202) 326-2812, -3087 (voice)  
16 (202) 326 3259 (facsimile)  
17 Attorneys for Plaintiff  
18 **FEDERAL TRADE COMMISSION**

19  
20   
21 ANDREW GREY, individually  
22 and on behalf of defendant  
23 Enforma Natural Products, Inc.  
24 and respondent Twenty-Four  
25 Seven, LLC

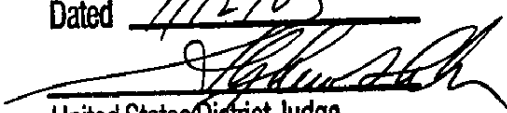
26   
27 Michael Ehrman

28   
Eric L. Dobberteen  
Arnold & Porter LLP  
777 South Figueroa Street  
Los Angeles, CA 90017-5844  
(213) 243-4055 (voice)  
(213) 243-4199 (facsimile)

Attorneys for Defendants  
ANDREW GREY and  
ENFORMA NATURAL  
PRODUCTS, INC. and  
Respondents MICHAEL  
EHRMAN and TWENTY-  
FOUR SEVEN, LLC

29 **IT IS SO ORDERED**

30 Dated 1/12/05

31   
32 United States District Judge

33 **SO ORDERED**

FILED

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**SO ORDERED**, this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_\_.

SCANNED

UNITED STATES DISTRICT JUDGE

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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,  
  
Plaintiff,  
  
v.  
  
ENFORMA NATURAL PRODUCTS,  
INC. and ANDREW GREY,  
  
Defendants,  
  
and  
  
TWENTY-FOUR SEVEN, LLC,  
MICHAEL EHRMAN and DONNA  
DiFERDINANDO,  
  
Respondents.

CV 00-04376-SVW (CWx)

**[AFFIDAVIT OF  
DEFENDANT OR  
RESPONDENT (FILL IN  
NAME) \_\_\_\_\_]**

[Name of defendant or respondent], being duly sworn, hereby states and affirms as follows:

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My name is \_\_\_\_\_. My current residence address is \_\_\_\_\_ I am a citizen of the United States and am over the age of eighteen. I have personal knowledge of the facts set forth in this Affidavit.

1. I am a defendant [*or respondent*] in FTC v. Enforma Natural Products, Inc., et al., Case No. 00-04376 SVW (CWx) (C.D. Cal.).

2. On [*date*], I received a copy of the Order Granting Permanent Injunction Against Defendants Enforma Natural Products, Inc. and Andrew Grey and Respondents Twenty-Four Seven, LLC and Michael Ehrman, which was signed by the Honorable Stephen V. Wilson and entered by the Court on [*date of entry of Order*]. A true and correct copy of the Order I received is appended to this Affidavit.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed on [*date*], at [*city and state*].

\_\_\_\_\_  
[Type full name of defendant or respondent beneath signature]

State of \_\_\_\_\_, City of \_\_\_\_\_

Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 2004.

\_\_\_\_\_  
Notary Public  
My Commission Expires:  
\_\_\_\_\_

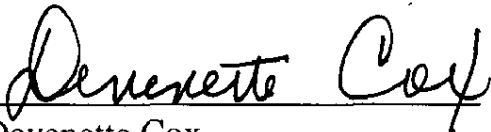
**CERTIFICATE OF SERVICE**

SCANNED

**I HEREBY CERTIFY** that on January 10, 2005, a true and correct copy of the foregoing [proposed] Stipulated Final Order for Permanent Injunction and Settlement of Claims for Monetary Relief as to Defendants Enforma Natural Products, Inc. and Andrew Grey, and Respondents Michael Ehrman and Twenty-Four Seven, LLC was served via Federal Express on:

Eric L. Dobberteen, Esq.  
Arnold & Porter  
777 South Figueroa Street, 44<sup>th</sup> Floor  
Los Angeles, CA 90017-5844  
ATTORNEYS FOR DEFENDANTS AND RESPONDENTS TWENTY-FOUR SEVEN LLC AND MICHAEL EHRMAN

Robert L. Corbin, Esq.  
Corbin & Fitzgerald  
601 West Fifth Street, Suite 1150  
Los Angeles, CA 90071  
ATTORNEYS FOR RESPONDENT DONNA DiFERDINANDO

  
Devenette Cox  
Investigator  
Division of Advertising Practices  
Federal Trade Commission