

claims made through endorsements or testimonials. Under Part II, respondent may make such representations if he possesses and relies upon competent and reliable evidence that substantiates the representations; or the respondent must disclose either what the generally expected results would be for users of the advertised products, or the limited applicability of the endorser's experience to what consumers may generally expect to achieve. The proposed order's treatment of testimonial claims is in accordance with the Commission's "Guides Concerning Use of Endorsements and Testimonials in Advertising," 16 CFR 255.2(a).

Part III of the proposed order prohibits James from making unsubstantiated claims about the safety of any food, drug or dietary supplement, or about the ability of such product to treat, cure, alleviate the symptoms of, prevent, or reduce the risk of developing any disease or disorder. Part IV of the proposed order contains language permitting James to make drug claims that have been approved by the FDA pursuant to either a new drug application or a tentative final or final standard. Part V states that James would be permitted to make claims that the FDA has approved pursuant to the Nutrition Labeling and Education Act of 1990.

Part VI of the proposed order requires James to retain, and make available to the Commission upon request, all advertisements and promotional materials containing any representation covered by the order, as well as any materials that he relied upon in disseminating the representation and any materials that contradict, qualify, or call into question the representation.

Part VII of the proposed order requires James to distribute the order to all current and future employees, agents and representatives having responsibilities under the order. Part VII would permit James to distribute a summary, in the form of a letter attached to the order as Appendix A, in lieu of the actual order.

The remainder of the proposed order contains standard requirements that James notify the Commission of changes in their employments status, and that he file one or more reports detailing his compliance with the order.

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

By direction of the Commission.

Donald S. Clark,

Secretary.

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FEDERAL TRADE COMMISSION

[File No. 9623270]

New Vision International 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 February 16, 1999.

ADDRESSES: Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pa. Ave., N.W., Washington, D.C. 20580.

FOR FURTHER INFORMATION CONTACT: Matthew Gold or Sylvia Kundig, San Francisco Regional Office, Federal Trade Commission, 901 Market Street, Suite 570, San Francisco, California 94103, (415) 356-5270.

SUPPLEMENTARY INFORMATION: Pursuant to Section 6(d) 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 December 8, 1998), on the World Wide Web, at "http://www.ftc.gov/os/actions97.htm." A paper copy can be obtained from the FTC Public Reference Room, Room H-130, 600 Pennsylvania Avenue, N.W., Washington, D.C. 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 New Vision International, Inc., NVI Promotions, L.L.C., and their two principals, Jason P. Boreyko and Benson K. Boreyko (hereinafter "New Vision" or "respondents"). New Vision is a multi-level marketing company that sells nutritional supplements. In a separate action, the Commission has also accepted a similar agreement involving Max F. James, a distributor of New Vision products.

The proposed consent order has been placed on the public record for sixty (60) days for the 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 any 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 has focused on New Vision's advertisements for a regimen of nutritional supplements that they called "God's Recipe." The advertisements claimed that God's Recipe could mitigate or cure the effects of Attention Deficit Disorder or Attention Deficit Hyperactivity Disorder.

The proposed complaint alleges that New Vision could not substantiate the following claims: (1) that God's Recipe can cure, prevent, treat or mitigate Attention Deficit Disorder or its symptoms; (2) that God's Recipe can cure, prevent, treat or mitigate Attention Deficit Hyperactivity Disorder or its symptoms; (3) that God's Recipe is an effective alternative treatment to the prescription drug Ritalin for Attention Deficit Disorder and Attention Deficit Hyperactivity Disorder; and (4) that testimonials from consumers appearing in the advertisements for God's Recipe reflect the typical or ordinary experience of members of the public whose children have used the product.

Part I of the proposed consent order prohibits New Vision, when advertising God's Recipe or any other food, drug or dietary supplement, from making claims (1) through (3), above, unless the claim is substantiated at the time it is made. Part II of the proposed order addresses claims made through endorsements or

testimonials. Under Part II, respondents may make such representations if they possess and rely upon competent and reliable evidence that substantiates the representations; or the respondents must disclose either what the generally expected results would be for users of the advertised products, or the limited applicability of the endorser's experience to what consumers may generally expect to achieve. The proposed order's treatment of testimonial claims is in accordance with the Commission's "Guides Concerning Use of Endorsements and Testimonials in Advertising," 16 CFR 255.2(a).

Part III of the proposed order prohibits respondents from making unsubstantiated claims about the safety of any food, drug or dietary supplement, or about the ability of such product to treat, cure, alleviate the symptoms of, prevent, or reduce the risk of developing any disease or disorder. Part IV of the proposed order contains language permitting New Vision to make drug claims that have been approved by the FDA pursuant to either a new drug application or a tentative final or final standard. Part V states that New Vision would be permitted to make claims that the FDA has approved pursuant to the Nutrition Labeling and Education Act of 1990.

Part VI of the proposed order requires New Vision to retain, and make available to the Commission upon request, all advertisements and promotional materials containing any representation covered by the order, as well as any materials that it relied upon in disseminating the representation and any materials that contradict, qualify, or call into question the representation.

Parts VII and VIII of the proposed order require New Vision to distribute the order to relevant parties. Part VII requires New Vision to distribute a copy of the order to all current and future principals, officers, directors, and managers, and to any employee, agent or representative with responsibilities under the order. Part VIII.A requires the company to distribute a letter, attached to the order as Appendix A, to each current active distributor. Part VIII.B requires the company to distribute a letter, attached to the order as Appendix B, to future distributors for a period of five years. These substantially similar letters state that no distributor may make any claim regarding the therapeutic or curative properties of New Vision products unless she has received prior approval from New Vision. The letters also state that all distributor advertising must either be obtained from New Vision or pre-approved by New Vision. In addition,

the letters state that failure to conform to these requirements will be grounds for suspension or termination.

Part IX of the proposed New Vision order contains some additional requirements in recognition of the fact that, as a multi-level marketing company, New Vision's contact with consumers is made almost exclusively through a network of distributors who are not covered by the order. For example, Part IX.A.1 would require the company to compel its distributors to submit all advertising to the company for pre-approval. Part IX.A.2 would require New Vision to establish a mechanism for suspending or terminating business dealings with any distributor who fails to submit advertising for pre-approval. Part IX.A.3 would require New Vision to send to each active distributor a notice, every six months, reminding them of the pre-approval requirement. To ensure that the company remains abreast of its distributor's marketing efforts over the Internet, Part IX.A.4 would require New Vision to conduct a monthly search of the World Wide Web for independent distributor advertising.

Part IX.B of the proposed order would require New Vision to police to distributors and investigate complaints that any distributor may be violating the order. Part IX.C would require New Vision to discontinue dealing with any distributor once respondents obtain actual knowledge, or knowledge fairly implied on the basis of objective circumstances, that the distributor is making a representation that is prohibited by the order, unless that person immediately ceases such activity. If New Vision learns that the distributor has not permanently ceased making representations prohibited by the order, New Vision must immediately discontinue its dealings with the distributor.

The remainder of the proposed New Vision order contains standard requirements that the corporate respondents notify the Commission of any changes in corporate structure that might affect compliance with the order, that the individual respondents notify the Commission of changes in their employment status, and that New Vision file one or more reports detailing their compliance with the order.

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

By direction of the Commission.

Donald S. Clark,
Secretary.

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GENERAL SERVICES ADMINISTRATION

[OMB Control No. 3090-0260]

Submission for OMB Review; Comment Request Entitled Questionnaire: Catalog of Federal Domestic Assistance

AGENCY: Office of Acquisition Policy, GSA.

ACTION: Notice of request for an extension to a previously approved OMB Clearance (3090-0260).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Office of Acquisition Policy has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a previously approved information collection requirement entitled Questionnaire: Catalog of Federal Domestic Assistance. The information collection was previously published in the **Federal Register** on October 6, 1998 at 63 FR 53672-53673, allowing for a 60-day public comment period. No comments were received.

DATES: Comment Due Date: January 15, 1999.

ADDRESSES: Additional comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, should be submitted to: Edward Springer, GSA Desk Officer, Room 3235, NEOB, Washington, DC 20503 and also may be submitted to Marjorie Ashby, General Services Administration (MVP), 1800 F Street NW, Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: Jackie Garrett, Governmentwide Information Systems Division on (202) 401-8336.

SUPPLEMENTARY INFORMATION:

A. Purpose

The GSA is requesting the Office of Management and Budget (OMB) to review and approve information collection, 3090-0260, concerning Questionnaire: Catalog of Federal Domestic Assistance. Catalog users are not required to respond to the questionnaire. The questionnaire is voluntary to solicit customer satisfaction and opinions on ways to improve the Catalog.