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PLAINTIFF'S COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF — PAGE 1

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\* JUN - 4 2001
CLEAK U.S. DISTRICT COURT
WESTERN DISTRICT OF VIASHINGTON

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

WESTERN DIETARY PRODUCTS CO. (SKOOKUM), a corporation, d/b/a WESTERN HERB & DIETARY PRODUCTS, INC., and MARVIN BECKWITH, and

MIGUELINA BECKWITH, individually and as officers of the corporation,

Defendants.

CIVIL ACTION NO.

C01-081BR

PLAINTIFF'S COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF

Plaintiff, the Federal Trade Commission ("Commission"), by its undersigned attorneys, alleges:

1. This is an action under Sections 5(a), 12, 13(b) and 15 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 45(a), 52, 53(b) and 55, in connection with the marketing and sale to the public of various products, including the ZAPPER ELECTRICAL UNIT, herbal

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EAST CENTRAL REGION
1111 SUPERIOR AVE. — SUITE 200
CLEVELAND, OHIO 44114-2507

formulas, cure packages and herbal cure packages, which include, *inter alia*, BLACK WALNUT TINCTURE, WORMWOOD TINCTURE, CLOVES TINCTURE and various other substances.

### **JURISDICTION** and **VENUE**

- 2. This Court has subject matter jurisdiction over this matter pursuant to 15 U.S.C. §§ 45(a), 52, 53(b) and 55, and 28 U.S.C. §§ 1331, 1337(a) and 1345.
- 3. Venue in the United States District Court for the Western District of Washington is proper under 28 U.S.C. §§ 1391(b) and (c), and 15 U.S.C. §53(b).

## **PARTIES**

- 4. Plaintiff Federal Trade Commission is an independent agency of the United States government created by statute. 15 U.S.C. §§ 41–58. The Commission enforces Sections 5(a), 52, and 55 of the FTC Act, which prohibit unfair or deceptive acts or practices, including false advertising, in or affecting commerce. The Commission may initiate federal district court proceedings to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including restitution for injured consumers. 15 U.S.C. § 53(b).
- 5. Defendant Western Dietary Products Co. (Skookum) d/b/a Western Herb & Dietary Products, Inc. (hereinafter "WHD") is a Washington corporation with its principal office or place of business at 8346 Blaine Road, Blaine, Washington 98230-9238. WHD transacts or has transacted business in the Western District of Washington.
- 6. Defendant Marvin Beckwith is an owner and officer of the defendant corporation, WHD. At all times material to this Complaint, acting alone or in concert with others, defendant

Marvin Beckwith has formulated, directed, controlled or participated in the acts and practices of WHD, including the acts and practices set forth in this Complaint. Marvin Beckwith transacts or has transacted business in the Western District of Washington.

7. Defendant Miguelina Beckwith is an owner and officer of the defendant corporation, WHD. At all times material to this Complaint, acting alone or in concert with others, defendant Miguelina Beckwith has formulated, directed, controlled or participated in the acts and practices of WHD, including the acts and practices set forth in this Complaint. Miguelina Beckwith transacts or has transacted business in the Western District of Washington.

COMMERCE

8. At all times material to this Complaint, defendants WHD, Marvin Beckwith and Miguelina Beckwith (hereinafter collectively referred to as "defendants") have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

#### DEFENDANTS' BUSINESS ACTIVITIES

9. Since at least 1999, defendants have engaged in a plan, program or campaign to sell herbal formulas, cure packages and herbal cure packages, which include, *inter alia*, BLACK WALNUT TINCTURE, WORMWOOD TINCTURE, CLOVES TINCTURE and various other substances—"foods or drugs" within the meaning of Sections 12 and 15 of the FTC Act, 15 U.S.C. §§ 52 and 55—and the ZAPPER ELECTRICAL UNIT—a "device" within the meaning of Sections 12 and 15 of the FTC Act,

15 U.S.C. §§ 52 and 55.

10. To induce consumers to purchase the products named in paragraph 9 above, defendants have disseminated or caused to be disseminated, via the Internet and other means, advertisements and ordering information for the above-described products, including, but not necessarily limited to, the attached Plaintiff's Exhibits ("PXs") 1 through 9. These advertisements contain the following statements that were found at defendants' Internet website, which they name "www.curecancer.com:"

#### THE CURE FORMULA FOR ORGAN CANCERS

We are not accustomed to thinking about a cure for cancer. We think of remission as the only possibility. But this web site shows you exactly which herbs are used to actually cure cancer. Our formulas have cured many people of cancer worldwide.

Cancer is caused by a certain parasite, for which evidence has been found in every form of cancer. So lung cancer is *NOT* caused by smoking, Colon cancer is *NOT* caused by a low roughage diet, Breast Cancer is *NOT* caused by a fatty diet, Retinal Blastoma is *NOT* caused by a rare gene, and Pancreatic cancer is *NOT* caused by alcohol consumption. Although these are all *CONTRIBUTING FACTORS*, they are not *THE* cause. Once the true cause was found, the cure became obvious. But would it work?

100 cancer cases were cured through this method before the book was published. That was in December, 1992. The discovery of the cause and cure of *ALL* cancer has stood the test of time and here it is!

## **Curing Organ Cancers In 60 Days**

It takes 60 days to kill the <u>parasites</u> that cause organ cancer. The cancer is then killed and it's time to work on recovering normal health. It may take as long as 180 days to fully regain normal health.

Included with your order are full instructions on how to take these herbs to cure the organ cancer. These instructions differ from our other cure formulas. A repeat purchase may be necessary if you have had the cancer for a long time. . . .

PX 1 — page from www.curecancer.com, at www.curecancer.com/Disease\_Cures/Cancer/Organ\_Cancer/organ\_cancer.html

PLAINTIFF'S COMPLAINT FOR PERMANENT
INJUNCTION AND OTHER EQUITABLE RELIEF — PAGE 4

FEDERAL TRADE COMMISSION EAST CENTRAL REGION 1111 SUPERIOR AVE. — SUITE 200 CLEVELAND, OHIO 44114-2507

1	Does this mean you can cancel your date for surgery, radiation or chemotherapy? YES!			
2	, , , , , , , , , , , , , , , , , , , ,			
3	follow her or his wishes, too. Be careful not to lose ANY VITAL ANATOMICAL PART surgery though, because you may need them later when you are healthy! . = .			
4	PX 2 — page from www.curecancer.com, at www.curecancer.com/Disease Cures/Cancer/cancer.html			
5	www.curccancer.com/Disease_Cures/Cancer/cancer.num			
6	Curing Intestinal Cancers In 5 Days			
7	It takes 5 days to kill the <u>parasites</u> that cause intestinal cancer. The cancer is then killed and it's time to work on recovering normal health. It may take as long as 180 days to fully regain			
8	normal health.			
9	cancer. These instructions differ from our other cure formulas. A repeat purchase may be			
10				
11	PX 3 — page from www.curecancer.com, at www.curecancer.com/Disease Cures/Cancer/Intestinal Cancer/intestinal_cancer.html			
12	WWW.sarsonabor.compositions Carosi, and Santa Louis Sa			
13	ALZHEIMER'S -			
14 15	What was once a rare disease has become a household word because it now affects so many. Two new pollutants of the brain, inviting an old <u>parasite</u> to a location it would not normally be, is the explanation. The new pollutants are solvents that seek the brain			
16	Kill the four common <u>flukes</u> with the first frequency generator or <u>zapper</u> you can get your			
17	hands on			
18	PX 4 — page from www.curecancer.com, at www.curecancer.com/Disease_Cures/Alsziemers/alsziemers.html			
19	THE CURE FORMULA FOR ARTHRITIS			
20				
21	Our claim that arthritis is caused by parasites is well founded through many years of research.  More information on this research can be found in the book <u>"The Cure for All Diseases"</u> by			
22	Hulda Regehr Clark, Ph.D., N.D.			
23				

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EAST CENTRAL REGION

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PLAINTIFF'S COMPLAINT FOR PERMANENT

25

INJUNCTION AND OTHER EQUITABLE RELIEF - PAGE 5

According to research parasites are the actual cause to all diseases, including arthritis. The genetic and non-genetic causes that most doctors claim to be real are actually only contributing factors. Even though a healthy body is able to rid itself of many <u>parasites</u> automatically, certain conditions will allow these <u>parasites</u> to start their destructive processes anyway. These conditions give the <u>parasites</u> a chance - the conditions do <del>not</del> cause the disease - the <u>parasites</u> do.

## **Curing Arthritis With Herbs**

Included with your order are precise instructions on how to take these herbs to cure the arthritis. These instructions differ from our other cure formulas. It also matters how long you have had arthritis. A repeat purchase may be necessary if you have had arthritis for a long time. . . .

PX 5— page from www.curecancer.com, at www.curecancer.com/Disease\_Cures/Arthritis/arthritis.html

#### THE CURE FORMULA FOR DIABETES

Our claim that diabetes is caused by <u>parasites</u> is well founded through many years of research. More information on this research can be found in the book "The Cure for All Diseases" by Hulda Regehr Clark, Ph.D., N.D. For more information on this and other books plus other herbal cures please visit the Cure Cancer pages.

According to research parasites are the actual cause to all diseases, including diabetes. The genetic and non-genetic causes that most doctors claim to be real are actually only contributing factors. Even though a healthy body is able to rid itself of some <u>parasites</u> automatically, certain conditions will allow those <u>parasites</u> to start their destructive processes anyway. These conditions accelerate the normal reproductive cycle of many different <u>parasites</u> within a human. The conditions do not cause the disease - the <u>parasites</u> do.

### **Curing Diabetes With Herbs**

Included with your order are precise instructions on how to take these herbs to cure diabetes. These instructions differ from our other cure formulas. It also matters how long you have had diabetes. A repeat purchase may be necessary if you have had diabetes as a child or for a long time. . . .

PX 6 — page from www.curecancer.com, at www.curecancer.com/Disease Cures/Diabetis/diabetis.html

PLAINTIFF'S COMPLAINT FOR PERMANENT

INJUNCTION AND OTHER EQUITABLE RELIEF — PAGE 6

1	9-5-98		
2	Dear Marvin,		
3	I want to thank you so very much for giving me my life back.		
4	When I was diagnosed with my cancerous tumor, I had no idea what to do, all I did know wathat I would not be cut on.		
5	The day after I had found out, a friend told me about you and I immediately got ahold of you.		
6			
7	and still have.		
8	With your program, fresh fruit in the mornings, raw vegies at noon and steamed vegies and		
9	choices of chicken or fish (steamed) at night was an amazing program. I didn't know for sure if I could do it, but I gave it a try and I couldn't believe how satisfying that diet was. I could eat		
10	coffee since April. I plan on doing this program at least three times a week and sometimes		
	I just take a whole week and do it, makes me feel much better.		
12	So, to whom ever reads this, please have the courage to contact Marvin and follow whatever program he gives you to the letter! This program does work and I am living proof!		
13	Sincerely,		
14	Charles Richardson		
15	PX 7 — page from www.curecancer.com,		
16	at www.curecancer.com/Testimonials/testimonials.html		
17			
18	Order Form		
19	In order to best serve those in need we supply only the highest quality herbs. We carefully select the herbs with potency levels well within the range specified by Hulda Clark's cure		
20	formula specifications.		
21	Phone consultations are provided free of charge to those ordering our herbs. To simplify your order you may send an email to Marvin Beckwith explaining your situation in full. He will		
22	respond with his recommendation and a total price for you to get started		
23			

PLAINTIFF'S COMPLAINT FOR PERMANENT 1
INJUNCTION AND OTHER EQUITABLE RELIEF - PAGE 7

FEDERAL TRADE COMMISSION
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CLEVELAND, OHIO 44114-2507

1	Contact Us We will help you get all the information you need to begin the healing process today!			
2	We will help you get all the information you need to begin the healing process today!			
3	PX 8 — p. 1 — from www.curecancer.com, at http://www.curecancer.com/Products/Order_Form/order_form.html			
4				
5	Examples of Prices			
6	Herbs	Price		
7	Advance Defense System	\$53.95		
8	Cloves Tincture	\$34.95		
9	Q-10 Anti-Oxident	\$108.95		
10	1 · · · · · · · · · · · · · · · · · · ·			
11	at http://www.curecancer.com/Products/Order_Form/order_form.html			
12	Herbal Packages	Price		
13	Cancer Cure Organ Package	997.90		
14	All Heart Disease Formula \$	878.90		
15	Hepatitis A, B, C Formula	890.70		
16	PX 8 — p. 4 — from-www.curecancer.com, at http://www.curecancer.com/Products/Order_Form/order_form.html			
17				
18	AIDS & HIV Formula \$1	176.90		
19	Diabetes Cure \$	089.95		
20		•		
21	at http://www.curecancer.com/Products/Order_Form	n/order_form.html		
22	2			
23				
24	PLAINTIFF'S COMPLAINT FOR PERMANENT	FEDERAL TRADE COMMISSION  EAST CENTRAL REGION  1111 SUPERIOR AVE. — SUITE 200  CLEVELAND, OHIO, 44114-2507		

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CLEVELAND, OHIO 44114-2507

\$1296.75 . . .

PX 8 — p. 6 — from www.curecancer.com, at http://www.curecancer.com/Products/Order\_Form/order\_form.html

## **DEFENDANTS' VIOLATIONS OF THE FTC ACT**

- 11. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits deceptive acts or practices in or affecting commerce. Section 12(a) of the FTC Act, 15 U.S.C. § 52(a), prohibits the dissemination of any false advertisement in or affecting commerce for the purpose of inducing, or which is likely to induce, the purchase of food, drugs, devices or cosmetics. As set forth below, defendants have engaged and are continuing to engage in such unlawful practices in connection with the marketing and sale of various products, including the ZAPPER ELECTRICAL UNIT, herbal formulas, cure packages and herbal cure packages, which include, *inter alia*, BLACK WALNUT TINCTURE, WORMWOOD TINCTURE, CLOVES TINCTURE, and various other substances.
- 12. Through their advertising and promotional materials, including, but not limited to, the representations set forth in paragraph 10, above, and through the use of their Internet website, "www.curecancer.com," defendants have represented expressly or by implication that:
  - defendants' herbal formulas, cure packages and herbal cure
     packages are effective in treating and curing cancer;
  - b. defendants' herbal formulas, cure packages, herbal cure packages and the Zapper Electrical Unit are effective in treating and curing Alzheimer's Disease;

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c.	defendants' herbal formulas, cure packages and herbal cure
	packages are effective in treating and curing diabetes;

- d. defendants' herbal formulas, cure packages and herbal-eure packages are effective in treating and curing arthritis;
- e. defendants' herbal formulas, cure packages and herbal cure packages and the Zapper Electrical Unit are effective in treating and curing AIDS and HIV infection;
- f. defendants' herbal formulas, cure packages and herbal cure packages, when used by persons with cancer, make surgery and chemotherapy unnecessary.
- Defendants did not possess and rely upon a reasonable basis that substantiated the representations set forth in paragraph 12, above, at the time the representations were made. Therefore, the making of the representations set forth in paragraph 12, above, is deceptive and constitutes false advertising for a food, drug or device, in violation of the FTC Act, 15 U.S.C. §§ 45(a), 52 and 55. -

#### **CONSUMER INJURY**

14. As a result of defendants' unlawful acts or practices, consumers throughout the United States have suffered and continue to suffer monetary loss and possible injuries to their health.

Defendants also have been unjustly enriched as a result of their unlawful practices. Absent

injunctive relief by this Court, the defendants are likely to continue to injure consumers, reap unjust enrichment and harm the public interest.

# THIS COURT'S POWER TO GRANT RELIEF

15. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), authorizes this Court to grant injunctive and other equitable relief, including consumer redress, disgorgement and restitution, to prevent and remedy any violations of any provision of law enforced by the Commission.

## PRAYER FOR RELIEF

WHEREFORE, plaintiff Federal Trade Commission, pursuant to Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), and the Court's own equitable powers, requests that this Court:

- 1. Award plaintiff such temporary preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief;
- 2. Permanently enjoin defendants from violating the Federal Trade Commission Act as herein alleged;
- 3. Award such relief as the Court finds necessary to redress injury to consumers resulting from defendants' violations of the FTC Act, including the refund of monies paid and the disgorgement of ill-gotten monies; and

1	4. Award plaintiff the costs of bringing this action, as well as such other and additional		
2	relief as the Court may determine to be just and proper.		
3		· · · · · · · · · · · · · · · · · · ·	
4		Respectfully submitted,	
5		JOHN D. GRAUBERT	
6	•	Acting General Counsel Federal Trade Commission Westington D. C. 20500	
7		Washington, D.C. 20580	
8	DATE: (W) / ,2001	Weaker OM- James	
9	C	MICHAEL MILGROM Ohio Bar No. 0012959 Federal Trade Commission—East Central Region	
10		1111 Superior Avenue — Suite 200 Cleveland, Ohio 44114-2507	
11		Phone 216–263–3419 / Fax 216–263–3426	
12   13	DATE: Lune 1 , 2001	B Ann M	
14	, 2001	BRINLEY H. WILLIAMS Ohio Bar No. 0011793 Federal Trade Commission—East Central Region	
15		1111 Superior Avenue — Suite 200 Cleveland, Ohio 44114-2507	
16	· -	Phone 216–263–3414 / Fax 216–263–3426 Trial Counsel	
17			
18		NADINE S. SAMTER Washington Bar No. 23881 Federal Trade Commission — Northwest Region	
19		915 Second Avenue, Suite 2896 Seattle, Washington 98174	
20		Phone 206–220-4479 / Fax 206–220–6366 Local Counsel	
22			
23			
24	PLAINTIFF'S COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF	FEDERAL TRADE COMMISSION  - PAGE 12  EAST CENTRAL REGION  1111 SUPERIOR AVE. — SUITE 200	

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