

Avenue, NW, Washington, DC 20580, either in person or by calling (202) 326-3627.

Public comment is invited. Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580. Two paper copies of each comment should be filed, and should be accompanied, if possible, by a 3½ inch diskette containing an electronic copy of the comment. 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, subject to final approval, an agreement to a proposed consent order from Continental Gown Cleaning Service, Inc., Nationwide Gown Cleaning Service, Inc., Prestige Gown Cleaning Service, Inc., Gown Cleaning Service, Inc., and Jonathan Ashley, Ltd., and Lewis Weissman and Gary Marcus, the principals who control these corporations (referred to collectively as "Continental Gown"). The agreement would settle a proposed complaint by the Federal Trade Commission that Continental Gown engaged in unfair or deceptive acts or practices in violation of Section 5(a) of the Federal Trade Commission Act.

The proposed consent order has been placed on the public record for sixty (60) days for 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 the comments received and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

This matter concerns care labeling of wedding gowns and other formal wear and advertising practices related to the sale of the "Zurcion Method" of drycleaning and preservation of these gowns. The administrative complaint alleged that Continental Gown violated the FTC Act by distributing care labels that read "Dryclean Only by Zurcion Method" (hereinafter "Zurcion labels") to clothing companies who used the labels. The complaint alleged that these labels do not comply with the Commission's Care Labeling Rule because they fail to provide information to consumers that is required by the Rule. The complaint alleged that by distributing the Zurcion labels, Continental Gown provided apparel

companies with the means and instrumentalities with which to violate the Care Labeling Rule. The complaint also alleged that Continental Gown had falsely represented in advertising that: (1) The Zurcion labels complied with the Care Labeling Rule, (2) that the Zurcion Method of drycleaning is patented, (3) the Zurcion Method is the only safe and effective cleaning method for wedding gowns and other formal wear, and (4) Continental Gown and the other named cleaning companies were the only cleaners who can clean wedding gowns and other formal wear safely and effectively. The complaint alleged that Respondents falsely represented that they had a reasonable basis for these representations. The complaint also alleged that Respondents advertised their guarantee as unconditional, whereas in fact undisclosed conditions were placed on the guarantee.

The proposed consent order contains provisions designed to prevent Continental Gown from engaging in similar acts and practices in the future. Part I of the proposed consent order contains a general prohibition against providing apparel manufacturers and importers and retail and wholesale stores with the means and instrumentalities with which to violate the FTC Act and the Care Labeling Rule. It specifies that Continental Gown may not provide care labels or other tags, such as hang-tags that are pinned to garments, that fail to provide the specific information required by the Rule or that represent that the Zurcion Method is the only cleaning method that can be used safely and effectively to clean the garment or that Continental Gown is the only cleaner who can clean the garments. Part I also requires Continental Gown to possess a written statement from an apparel manufacturer or importer stating the apparel company's reasonable basis for any care instructions that appear on labels or tags disseminated by Continental Gown.

Parts II, III, and IV of the proposed consent order address Continental Gown's advertising representations. Part II prohibits Continental Gown from making misrepresentations regarding the Care Labeling Rule or compliance with the Rule. Part III prohibits Continental Gown from misrepresenting that the Zurcion Method or any other cleaning or preservation method is patented. Part IV prohibits misrepresentations regarding the comparative or absolute safety or efficacy of any cleaning or preservation method, service, company, or product. Part IV requires competent and reliable evidence as substantiation for safety or

efficacy claims and specifies that competent and reliable scientific evidence may be required when appropriate.

Part V addresses the guarantee allegation of the complaint. It prohibits representations that a garment cleaning or preservation service is guaranteed unless Continental Gown discloses any material limitations or conditions on the guarantee.

Parts VI and VII concern contacts with apparel companies, consumers and others regarding Zurcion labels and promotional materials. Part VI requires Continental Gown to notify certain garment manufacturers or importers with whom Continental Gown did business that they should stop using the Zurcion labels and promotional materials, and to provide a copy of the Consent Order with the notice. Part VII requires Continental Gown to disclose to persons (other than apparel companies) who contact them regarding the cleaning or preservation of garments bearing Zurcion labels that other cleaning methods may be used safely and effectively to clean the garments. Part VII also requires Continental Gown to refer these persons to the manufacturer or importer of their garment to obtain cleaning instructions, and requires Continental Gown to provide information about how consumers can contact those companies.

The proposed order also contains provisions regarding distribution of the order, recordkeeping, notification of changes in corporate status, termination of the order, and the filing of a compliance report.

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 the proposed order or to modify their terms in any way.

By Direction of the Commission.

**Benjamin I. Berman,**

*Acting Secretary.*

[FR Doc. 99-16708 Filed 6-30-99; 8:45 am]

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## FEDERAL TRADE COMMISSION

[File No. 9823150]

### Magnetic Therapeutic Technologies, Inc., 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 August 30, 1999.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** Christa V.A. Vecchi, FTC/H-263, 600 Pennsylvania Avenue, NW, Washington, DC 20580, (202) 326-3166.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) 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 June 24, 1999), 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, NW, Washington, DC 20580, either in person or by calling (202) 326-3627.

Public comment is invited. Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580. Two paper copies of each comment should be filed, and should be accompanied, if possible, by a 3½ inch diskette containing an electronic copy of the comment. 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, subject to final approval, an agreement to a proposed Consent Order ("proposed order") from Magnetic

Therapeutic Technologies, Inc. ("MTT") and Jim B. Richardson, the President of the corporation.

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 will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

This matter concerns Internet, print, and catalogue advertisements disseminated directly to consumers, and print advertisements provided to distributors and retail stores, including health food stores and pharmacies, for dissemination directly to consumers, for proposed respondents' magnetic therapy products. These products contain magnets that purportedly treat and alleviate a variety of medical problems, including cancer, high blood pressure, HIV, diabetic neuropathy, and Multiple Sclerosis. Proposed respondents' magnetic products include an assortment of devices, such as Magnetic Knee Supports and Magnetic Sleep Pads.

The Commission's complaint charges that the proposed respondents engaged in deceptive advertising in violation of section 5 and 12 of the FTC Act by making unsubstantiated claims that its magnetic therapy products: (1) Are effective in treating cancer, including lung and breast cancers, diabetic ulcers, arthritis, and degenerative joint conditions; (2) lower high blood pressure; (3) stabilize or increase the T-cell count of HIV patients; (4) reduce muscle spasms in persons with Multiple Sclerosis; (5) reduce nerve spasms associated with diabetic neuropathy; (6) increase bone density, immunity, and circulation; and (7) are as effective as prescription pain medicine in alleviating severe pain caused by conditions such as arthritis, carpal tunnel syndrome, and back pain.

The complaint further alleges that proposed respondents represented that testimonials from consumers appearing in the advertisements or promotional materials for proposed respondents' products reflect the typical or ordinary experience of members of the public who use the products. The proposed complaint alleges that respondents lack substantiation for this claim.

This proposed order contains provisions designed to remedy the violations charged and to prevent proposed respondents from engaging in similar acts in the future.

Paragraph I of the proposed order prohibits proposed respondents from representing that their magnetic therapy products (defined as any product that contains a magnet of any kind purporting to relieve the symptoms of, treat, mitigate, cure, relieve, heal or alleviate any disease or health condition): (1) Are effective in treating cancer, including lung and breast cancers, diabetic, ulcers, arthritis, or degenerative joint conditions; (2) lower high blood pressure; (3) stabilize or increase the T-cell count of HIV patients; (4) reduce muscle spasm in persons with Multiple Sclerosis; (5) reduce nerve spasms associated with diabetic neuropathy; (6) increase bone density, immunity, or circulation; or (7) are comparable or superior to prescription pain medicine, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

Paragraph II of the proposed order prohibits proposed respondents from representing that the experience represented by any user testimonial or endorsement of any product or program represents the typical or ordinary experience of members of the public who use the product or program, unless the representation is true, and competent and reliable scientific evidence substantiates that claim, or respondents clearly and prominently disclose either: (1) What the generally expected results would be for product or program participants; or (2) the limited applicability of the endorser's experience to what consumers may generally expect to achieve, that is, that consumers should not expect to achieve similar results.

Paragraph III of the proposed order prohibits proposed respondents from making any representation about the health benefits, performance, or efficacy of any product or program, unless, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

Paragraph IV of the proposed order prohibits proposed respondents from: (1) Disseminating to any distributor any material containing any claims prohibited by the order; and (2) authorizing any distributor to make any representations prohibited by the order. In addition, Paragraph IV requires proposed respondents to (1) send a short notice to distributors with whom they have done business since January 1, 1994, announcing their settlement with the FTC and the state of Texas, and

requiring distributors to submit all proposed promotional and marketing materials to proposed respondents for approval prior to their dissemination; (2) send, for a period of three years, the same notice to future distributors with whom proposed respondents to business; (3) monitor distributors' promotional activities; (4) terminate, as appropriate, the right of any distributor to market MTT products or programs who continues to use promotional materials or make oral representations that violate the order; (5) provide the FTC all relevant information about the distributors who continue to engage in activities that violate the order; and (6) approve all marketing materials before distributors disseminate them to the public.

Paragraph V contains record keeping requirements for the notification letters sent to distributors, communications between respondents and distributors referring or relating to the requirements of Paragraph IV of the order, and any other materials created pursuant to Paragraph IV.

Paragraph VI of the proposed order contains record keeping requirements for materials that substantiate, qualify, or contradict covered claims and requires the proposed respondents to keep and maintain all advertisements and promotional materials containing any representation covered by the proposed order. In addition, Paragraph VII requires distribution of a copy of the consent decree to current and future officers and agents. Further, Paragraph VIII provides for Commission notification upon a change in the corporate respondents. Paragraph IX requires proposed respondent Jim B. Richardson to notify the Commission when he discontinues his current business or employment and of his affiliation with any new business or employment. The proposed order, in Paragraph X, also requires the filing of a compliance report.

Finally, Paragraph XI of the proposed order provides for the termination of the order after twenty years under certain circumstances.

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.

**Benjamin I. Berman,**

*Acting Secretary.*

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## FEDERAL TRADE COMMISSION

[File No. 9823175]

### **Pain Stops Here!, Inc., 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 August 30, 1999.

**ADDRESSES:** Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

**FOR FURTHER INFORMATION CONTACT:** Christa V.A. Vecchi, FTC/H-263, 600 Pennsylvania Avenue, NW, Washington, DC 20580, (202) 326-3166.

**SUPPLEMENTARY INFORMATION:** Pursuant to Section 6(f) 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 June 24, 1999), 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, NW, Washington, DC 20580, either in person or by calling (202) 326-3627.

Public comment is invited. Comments should be directed to: FTC/Office of the Secretary, Room 159, 600 Pennsylvania Avenue, NW, Washington, DC 20580. Two paper copies of each comment should be filed, and should be accompanied, if possible, by a 3½ inch diskette containing an electronic copy of the comment. 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, subject to final approval, an agreement to a proposed Consent Order ("proposed order") from Pain Stops Here! Inc. and Sande R. Caplin, the President and majority shareholder of the corporation.

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 will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

This matter concerns Internet and print advertisements disseminated directly to consumers as well as through distributors and retail stores, including drug store, health food stores, sporting goods stores, health care products stores, and private individuals working out of their homes. These products contain magnets that purportedly treat or alleviate a variety of medical problems, including cancer, liver disease, heart disease, and arthritis. Proposed respondents' magnetic products include an assortment of devices, such as sleep pad, pillow insert, and magnetized water ceramic magnetic ring.

The Commission's complaint charges that the proposed respondents engaged in deceptive advertising in violation of Sections 5 and 12 of the FTC Act by making unsubstantiated claims that its magnetic therapy products: (1) Are effective in treating cancer; (2) cure liver disease and other diseased internal organs; (3) are effective in reducing cholesterol deposits in the arteries and veins and normalizing the circulatory system; (4) are effective in breaking up kidney and gallbladder stones and in the prevention of further formation of stones; (5) are effective in treating infectious disease, urinary infection, gastric ulcers, dysentery, diarrhea, skin ulcers, and bed sores; (6) prevent and reverse heart disease, circulatory disease, arthritis, auto-immune illness, neuro-degenerative disease, and allergies; (7) are effective in treating arthritis, bursitis, tendinitis, sprains, strains, sciatica, lameness, navicular, and foot growth problems in animals; (8) stimulate the body's production of