

Marketer Who Promoted a Green Coffee Bean Weight-Loss Supplement Agrees to Settle FTC Charges

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Used Appearances on Dr. Oz, Other Shows to Launch Ad Campaign

FOR RELEASE

TAGS: Bureau of Consumer Protection | Consumer Protection | Advertising and Marketing | Health

Lindsey Duncan and the companies he controlled have agreed to settle Federal Trade Commission charges that they deceptively touted the supposed weight-loss benefits of green coffee bean extract through a campaign that included appearances on *The Dr. Oz Show*, *The View*, and other television programs.

Under the FTC <u>settlement, the defendants are barred from making deceptive claims</u> about the health benefits or efficacy of any dietary supplement or drug product, and will pay \$9 million for consumer redress.

"Lindsey Duncan and his companies made millions by falsely claiming that green coffee bean supplements cause significant and rapid weight loss," said Jessica Rich, Director of the FTC's Bureau of Consumer Protection. "This case shows that the Federal Trade Commission will continue to fight deceptive marketers' attempts to prey on consumers trying to improve their health."

The FTC charged that <u>Duncan and his companies</u>, <u>Pure Health LLC and Genesis Today</u>, <u>Inc.</u>, <u>deceptively claimed</u> that <u>the supplement could cause consumers to lose 17 pounds</u> and 16 percent of their body fat in just 12 weeks without diet or exercise, and that the claim was backed up by a clinical study. In September 2014, the <u>FTC settled charges against the</u> <u>company that sponsored the severely flawed study</u> that Duncan discussed on *Dr. Oz*.

According to the FTC's complaint, shortly after Duncan agreed to appear on *Dr. Oz* but before the show aired, he began selling the extract and tailored a marketing campaign around his appearance on the show to capitalize on the "Oz effect" – a phenomenon in which discussion of a product on the program causes an increase in consumer demand.

For example, while discussing green coffee bean extract during the taping of *Dr. Oz*, Duncan urged viewers to search for the product online using phrases his companies would use in search advertising to drive consumers to their websites selling the extract. He reached out to retailers, describing his upcoming appearance on *The Dr. Oz Show* and saying he planned to discuss the clinical trials that purportedly proved the supplement's effectiveness. He and his companies also began an intensive effort to make the extract available in Walmart stores and on Amazon.com when the program aired.

The defendants continued to use Duncan's *Dr. Oz* appearance in their marketing campaign after the show aired, the complaint states, posting links to the episode on websites and using retail point-of-sale displays showing messages such

as "New Health Discovery! As Seen on TV, 'The Dieter's Secret Weapon.'" After appearing on *Dr. Oz*, Duncan and his companies sold tens of millions of dollars' worth of the extract, according to the FTC.

The FTC also alleged that Duncan and several of the companies' paid spokespeople portrayed themselves on television shows as independent sources of information about green coffee bean extract and other natural remedies, while failing to disclose their financial ties to the companies.

The proposed stipulated court order requires the defendants to substantiate any future weight-loss claims with at least two well-controlled human clinical tests. Any claims the defendants make about the health benefits and efficacy of any dietary supplement or drug cannot be misleading and must be substantiated by competent and reliable scientific evidence. Further, the order prohibits false claims that the benefits of any such product are scientifically proven.

The order also bars the defendants from misrepresenting the status of any endorser, and requires them to disclose all material connections between them and anyone who endorses their products. Finally, it imposes a \$9 million redress judgment, with an initial payment of \$5 million due within two weeks of when the court enters the order.

Information for Consumers

Consumers should carefully evaluate advertising claims for weight-loss products. For more information, see the FTC's guidance for consumers of products and services advertised for <u>Weight Loss & Fitness</u>.

The Commission vote authorizing the staff to file the complaint was 5-0. The vote authorizing the filing of the proposed stipulated court order was 3-2, with Commissioners Ohlhausen and Wright voting no. The majority, <u>Chairwoman Ramirez</u>, <u>Commissioner Brill</u>, and <u>Commissioner McSweeny</u>, issued a separate statement. <u>Commissioners Ohlhausen and Wright also issued a separate statement</u>. The complaint and order were filed in the U.S. District Court for the Western District of Texas on January 26, 2015.

The FTC is a member of the National Prevention Council, which provides coordination and leadership at the federal level regarding prevention, wellness, and health promotion practices. This case advances the National Prevention Strategy's goal of increasing the number of Americans who are healthy at every stage of life.

NOTE: The Commission files a complaint when it has "reason to believe" that the law has been or is being violated and it appears to the Commission that a proceeding is in the public interest. Stipulated orders have the force of law when approved and signed by the District Court judge.

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online <u>Complaint Assistant</u> or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 2,000 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's website provides <u>free information on a variety of consumer topics</u>. Like the FTC on <u>Facebook</u>, follow us on <u>Twitter</u>, and <u>subscribe to press releases</u> for the latest FTC news and resources.

PRESS RELEASE REFERENCE:

<u>Green Coffee Bean Manufacturer Settles FTC Charges of Pushing its Product Based on Results of "Seriously Flawed"</u> <u>Weight-Loss Study</u>

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