

Hair Scam Company Pays Up

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Industry News

Busted for deceptive advertising. Snake oil salesmen, listen up!Busted for deceptive advertising. Snake oil salesmen, listen up!The ValueVision home shopping network will offer refunds to consumers who bought a variety of weight loss and health care products promoted with misleading claims, the government said.

The Federal Trade Commission announced Wednesday that it had agreed to settle federal charges against ValueVision International, which is partly owned by NBC and last month renamed its cable television network ShopNBC.

The government said the company made health claims about five products that could not be backed up by scientific evidence.

The FTC won't reveal how much money the company made selling these products, but the amount is "not insignificant," said agency attorney Daniel Kaufman. Each product costs between \$30 and \$50, he said. Kaufman said there is no upper limit to the total refund amount and that anyone who purchased the products after Feb. 1, 2000, could get their money back including shipping charges.

ShopNBC spokesman Anthony Giombetti said the company, which is based in Eden Prairie, Minn., stopped selling the five products late last year. The network had previously relied on scientific evidence supplied by manufacturers, but he said it would now require more reliable information.

"We're fine with the settlement," Giombetti said. "It didn't stem from any customer complaints, but rather from their (FTC's) strict standards and efforts to make sure any claims on airwaves are supported with scientific evidence."

The settlement requires the company to send letters to consumers announcing the refunds and bars it from making unsubstantiated health claims about food, drugs, supplements or weight-loss products. The company doesn't admit it broke any law by settling.

The FTC said the settlement concerns these five products:

WeightPerfect Fat Loss Accelerators, manufactured by WeightPerfect Products of Dallas, consists of a liquid supplement formula and a capsule filled with herbs. ValueVision claimed the product decreased appetite and caused people to lose fat while sleeping, resulting in weight loss of 50 pounds or more in 12 weeks.

Fight the Fat, distributed by Television Marketing Group of Newport Beach, Calif., is a liquid derived from shellfish that the network claimed could "literally melt the pounds off you" and allow people to eat fatty foods without putting on weight.

NutriFirm Perfect Body Solution, an anti-cellulite lotion manufactured by Isomers Laboratories of Toronto, was promoted as being able to eliminate or reduce cellulite by liquefying body fat. NutriFirm Internal Cleanser, made by Isomers, was touted as a remedy for colds, flu, allergies, backaches, muscle aches, headaches and impaired memory.

NutriFirm Vitamin H Serum, made by Isomers, is a topical anti-hair loss solution promoted as preventing or reducing hair loss. The product was targeted at women who recently have given birth.

Founded in 1991, ValueVision is the nation's third-largest home shopping network, behind QVC and the Home Shopping Network. General Electric, which also owns NBC, owns 40 percent of ValueVision.

The network primarily offers jewelry and computers through 24-hour television programming and a Web site, but also sells health and cosmetic products.

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