UNITED STATES OF AMERICA BEFORE FEDERAL TRADE COMMISSION

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In the Matter of))	
MED GEN, INC.,)	
a corporation, and)	DOCKET NO. C-4053
PAUL B. KRAVITZ,)	
individually and as an officer)	
of the corporation.)	
)	

<u>COMPLAINT</u>

The Federal Trade Commission, having reason to believe that Med Gen, Inc., a corporation, and Paul B. Kravitz, individually and as an officer of the corporation ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Med Gen, Inc. is a Nevada corporation with its principal office or place of business at 7284 West Palmetto Road, Suite 106, Boca Raton, Florida 33433.

2. Respondent Paul B. Kravitz is an officer of the corporate respondent. Individually or in concert with others, he formulates, directs, controls or participates in the policies, acts, or practices of the corporation, including the acts or practices alleged in this complaint. His principal office or place of business is the same as that of Med Gen, Inc.

3. Respondents have manufactured, advertised, labeled, offered for sale, sold, and distributed products to the public, including SNORenz. SNORenz is a topical spray that purports to reduce or eliminate snoring or the sounds associated with snoring by lubricating the vibrating tissues in the throat

with a combination of oils, vitamins, and trace ingredients. SNORenz is a "food," and/or "drug" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.

4. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

5. Respondents have disseminated or have caused to be disseminated advertisements and labeling for SNORenz, including but not necessarily limited to television infomercials that were aired on various broadcast and cable channels. These advertisements contain the following statements:

PRODUCT LABELING

A. [Outer Box] [Exhibit A]

[Front and sides]

FAST RELIEF SNORenz Easy to Use SPRAY 97% Effective in Reducing Snoring Noise* - Natural ingredients - Clinically tested - No after effects - Vitamin Enriched - Mint Flavor

[Top and back tab]

97% Effective in Reducing Snoring Noise*

[Back]

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*Double Blind Study – 1997

B. [Bottle Label] [Exhibit B]

97% EFFECTIVE IN REDUCING SNORING NOISE

SNORenz

CLINICALLY TESTED NO AFTER - EFFECTS NATURAL INGREDIENTS VITAMIN ENHANCED FRESH BREATH

INFOMERCIAL: MED GEN, INC. VIDEOTAPE [Exhibit C]

C. ANNOUNCER: The fact is snoring is not a joke. It's a serious problem. It interrupts your sleep, your partner's sleep, and the way you and your family feel and perform throughout the day.

ON SCREEN: EXPENSIVE APPLIANCES! PAINFUL PROCEDURES! INVASIVE SURGERIES! DON'T WORK!

ANNOUNCER: In the past, people have gone through extensive appliances, painful procedures, even invasive surgeries that just don't work. But now there's an amazing, revolutionary, breakthrough spray that's safe and easy to use and guaranteed to work the very first night. . . . Stay tuned to this incredible program and learn how you can stop snoring and finally get a restful, peaceful night's sleep.

D. PAUL KRAVITZ: Today, what we have is a product that's made through liposome technology, which is a patented process where the oil sits -- or the actual oils and the ingredients, all-natural ingredients, sit in a water molecule, an ionized water molecule.

ON SCREEN: SNORenz Stop Snoring NOW! Free Bottle Offer! Call NOW! 1-800-956-7293 Safe, Simple to Use!

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PAUL KRAVITZ: So, wherever you place the solution, it sticks, and it lasts for six to eight hours.

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PAUL KRAVITZ: And it stops you from snoring.

E. JOHN ZIGLAR: Tell us, Doctor, you have done a little bit of research into the product. You have some patients that are using it?

ON SCREEN: Dr. Robert Currier

DR. BOB CURRIER: I had to find out if it works. So, I had 40 patients within my practice try the product. And we probably ran five days.

ON SCREEN: Used by Dentists!

DR. BOB CURRIER: Anyway, just to see if it would work, we did a double-blind study, and it worked.

JOHN ZIGLAR: Really?

DR. BOB CURRIER: Highly, highly effective. And it works real well. These same people are using it to this day.

F. PAUL KRAVITZ: If you go into the drug store, you can look on the shelves and you can see little strips that go across your nose, you can see pills that you swallow, you can see solutions that you gargle with, you know. And if you go to a physician -- Doctor, you can tell us -- there's laser surgery; there is -- they can take and they cut the uvula out. It's just unbelievable to me some of the invasive tactics that have gone on to try to eliminate the problem.

ON SCREEN:

Non-Invasive!

DR. BOB CURRIER: The beauty of this product, SNORenz, is that it is non-invasive, and it's easy to use.

G. FEMALE TESTIMONIAL: The other day I was introduced to a product called SNORenz. And since my husband has a problem with snoring, I wanted to try it on

him, so I brought it home and he tried it. And that was the first time we had a peaceful night's sleep in a long time.

MALE TESTIMONIAL: I had considered having the laser surgery, but too many people told me that it was extremely painful and not always effective. Then I tried SNORenz, and it worked the very first night. I've used it ever since.

HUSBAND TESTIMONIAL: Before I found SNORenz, I had tried everything, tapes, tablets, nose sprays.

WIFE TESTIMONIAL: Nothing worked like SNORenz worked.

FEMALE TESTIMONIAL: SNORenz really works, and it's so easy to use, I wake up feeling refreshed.

WIFE TESTIMONIAL: Now anyone can stop snoring.

HUSBAND TESTIMONIAL: Just like I did.

FEMALE TESTIMONIAL: And me.

MALE TESTIMONIAL: And me.

ANNOUNCER: Your partners can't sleep. You're restless and tired the next day. You're cheating your family out of a restful night's sleep. The fact is, snoring can be a major problem, and people in the past have gone through expensive appliances, painful procedures, even invasive surgeries that cost up to \$3,600, and they still don't work.

H. FEMALE TESTIMONIAL: We've used SNORenz which is about 10 to 12 days. We have both slept very, very well. Me, because I don't hear the noise; him, because I'm not waking him up to stop the noise. What it does, it doesn't stop the snoring, it actually calms the noise so you do not hear it. It still happens, but you do not hear it happen. Consequently, when you wake up in the morning, you're a much happier couple. It really does make a difference in your life when you wake up and you have gotten a good night's sleep.

DR. JANE: Hello, my name is Dr. Jane. I just wanted to mention that SNORenz has been very effective for our patients. Again, thank you, SNORenz.

WIFE TESTIMONIAL: Thanks to a friend that introduced us to SNORenz, my sleepless nights are pretty much over. For the past year and a half –

HUSBAND TESTIMONIAL: Year and a half.

WIFE TESTIMONIAL: It's been about a year and a half. We hadn't been able to really sleep together due to the fact that my husband snored and has a snoring problem. But SNORenz has put an end to that and we've been sleeping quite well. Restful, peaceful.

I. ON SCREEN: Dr. Alliert S. Jerome Clinical Nutrition Specialist

> ON SCREEN: All Natural No Chemicals No Additives No Preservatives No Side Effects

DR. JEROME: What I recommend to patients, family and friends is not a prescription medicine but an all-natural vitamin and oil, lipostate formula called SNORenz, that thanks to liposome technology is absorbed by the mucous membranes of the soft palate and quickly quiets the noise caused by the vibration of the uvula against the soft palate.

ON SCREEN:

(Anatomical throat graphic/snoring photo with sound)

MALE TESTIMONIAL: Snorenz did wonders for my snoring problem, and it helped the very first time I used it.

J. JOHN ZIGLAR: This product will solve that problem for them and they will love you for it. It absolutely works and the beauty of it is it's all-natural.... It will actually last that whole night for six to eight hours so that when you wake up in the morning you will wake up rested and refreshed.

INFOMERCIAL: TRU SNORENZ 1 - KT [Exhibit D]

K. KEVIN TRUDEAU: And this is a patented product. It has been clinically tested in double-blind studies –

JOHN ZIGLAR: Yes.

KEVIN TRUDEAU: Tell us about that.

JOHN ZIGLAR: What we did is we had two double-blind studies done in two separate locations. Basically, we had where the doctors did not know which was the placebo product nor did the patient know. And in each of the cases, the people that took the product that had the SNORenz product in it in 97 percent of the cases they quit snoring immediately.

- L. KEVIN TRUDEAU: If you use this product one time, for the first time in years, you will get the best night's sleep you've ever had. You'll actually go and get deep sleep for the very first time. And you'll wake up the next morning probably with more energy than you've ever imagined having. Because, folks, if you snore, I can tell you right now you are not getting deep sleep and you are not full of the energy that you can be by just getting a full night's rest. You'll also be more pleasant, you won't be as irritable, your body could even function better, your immune system and all of your systems can work better when you've had a full-night's rest.
- M. KEVIN TRUDEAU: -- just make sure you spray it at the back of your throat, we'll show you exactly how to do that, and make sure 30 minutes before you use the product, don't drink or eat anything, primarily alcohol, that way it will stay on the throat, then go to sleep and guaranteed to work or your money back. Double-blind studies -- two of them -- proved -- clinical research -- that 97 percent of the times this was effective in eliminating the snoring noise all night long. It's all natural, it's patented and you can't beat the value.
- N. KEVIN TRUDEAU: This is exclusive, it's a breakthrough, we're announcing it for the very first time, this is a revolutionary product that's patented, guaranteed to work, you get a three-month's supply -- this is your refill -- and this is the little squirter. You just put this by the bed stand and then all you do -- you can see how it sprays out here -- you just put three squirts in your mouth, on the back of your throat, just squirt it in right before you go to sleep, it tastes great, it's all natural, it's a patented product. In double-blind studies, clinical testing, guaranteed to work 97 percent of the time. And, you know, we have never seen it fail. And I think the reason it says 97 percent, if they put 100 percent people would think, oh, it sounds too good to be true. And it does sound too good to be true, but the double-blind studies, the people that use it, and you can find out for yourself –
- O. KEVIN TRUDEAU: If you are a snorer or know somebody that is, it will eliminate the snoring just like that, guaranteed or your money back. It's a patented process, doubleblind studies, clinical research. If it doesn't work, send it back for a full refund, no questions asked. But the statistics show, 97 percent effective in eliminating the noise of

snoring the very first application. Folks, your life can be changed when you get a good night's rest.

INFOMERCIAL: <u>VP SNORenz 2- JD</u> [Exhibit E]

ON SCREEN: Dr. Bob Courier, Physician Surgeon

- P. DR. BOB COURIER: Another side effect, a cute story, my brother's also a snorer, I think this is just something that runs in families, as well. Anyway, he has since tried the product, as I have, and I use it, and I think it's fantastic, because it does stop the snoring. ...
- Q. JOHN ZIGLAR: Jon, what we've done is we have taken all natural oils, and we have taken and put them together in a liposome formulation, and we have taken it so that you can actually spray this product into the back of your throat, and the process is really quite simple. Have you ever seen a car go down the road that didn't have enough oil in it, and you hear the clatter and the clanking?

ON SCREEN: John Ziglar, Master Strategies Researcher

JOHN ZIGLAR: Well, what happens is we took that same philosophy, that same technology, and we said, Hey, if we can oil the parts and we can take and make a topical solution that will stay in a place for an extended period of time, we can eliminate the noise of snoring. You're still going to have the same amount of air that's going to pass through the passage, but all we're going to do is we're going to lubricate the parts so that there is no noise associated so that you don't then wake up or wake up your neighbor.

- R. DR. BOB COURIER: Well, to take this just a little bit further, a dentist has studied this and has actually sprayed this in models, and he actually used a dye at the time so he could see where it was applied. In the soft tissues, in the back of the throat, the ones that we see that flap and flutter and that need the lubrication, what -- it is applied there, but where the technology goes even further and better through this liposome technology is to apply it evenly, and the very neat thing about this is it stays. It stays there all night. That's where others have failed. And that's also where a lot of the applications, that's where also a lot of the applications of surgeries, pills, other things that have been attempted and tried have failed. This product here stays there. It's easy application.
- S. JON DENNY: If you have a snoring problem, if you have problems sleeping next to a snorer, then SNORenz may be the answer you've been waiting for. Remember, snoring is a medical condition. Studies have shown that snoring can seriously reduce

your energy levels, your concentration and can seriously affect your work habits, as well, and you can be sure your snoring is seriously bothering someone other than you. SNORenz is the first all-natural spray that has been proven to give you a healthy, natural, good night's sleep. It has no side effects. It's as easy as a few sprays before bed, and it lasts all night, and if you want more information on SNORenz, if you want to stop the snoring, if it's a snorer next to you or if you be the snorer, you may want to call the 800 number on your screen.

T. JON DENNY: We have I believe a caller on the line from Arizona, and I believe it's Tina Hines (phonetic). Tina, are you on the air with us?

TINA HINES: I'm listening to your show, and I have to tell you that snoring, you know, is a lot more dangerous that people think. My husband was a chronic snorer, he's a firefighter/paramedic, so I wasn't the only one affected by this. I mean, we didn't sleep together for years.

JON DENNY: Now, you've been married for how long, Tina?

TINA HINES: Sixteen years.

JON DENNY: Sixteen years, and this was a problem that occurred right from the start of your marriage?

TINA HINES: Oh, yeah.

JON DENNY: You found you were married to a snorer?

TINA HINES: Oh, absolutely, and the poor guy, it would be all night, John, turn over, turn over. It did not matter, he could be sleeping on his head, and he would still snore. Well, it got so bad that even at the fire department, he was being hassled at the fire department, because these guys sleep at different shifts, they don't all sleep at the same time, and when John was sleeping, he would be waking everybody else up, so they would be pounding on the walls and he'd come home all aggravated, he'd come home and want to sleep. They even built a partition around my husband's bunk bed to try to keep out the noise. Well, it got so bad he finally went to the doctor, and in order for the insurance company to pay for this surgery, they put him in the hospital, in the sleep center, and found out that he also had sleep apnea, which is very dangerous, because when you're snoring, you stop breathing, then you forget to sleep. So, they did the surgery, and needless to say, it lasted for a while, and then after that he started up

again, and he would not even believe when I would tell him, John, you're snoring again. You don't want to go through surgery and find out that you're snoring again.

JON DENNY: So, this was after a surgery, he had -- the problem re-emerged.

TINA HINES: Right, they did surgery on all his sinuses, they went through his nose and removed all his polyps, thinking that was the problem. So, now he's in for the second surgery, and they decided they are going to remove part of his uvula, and the roof of his mouth, his tonsils and his adenoids, and this way it will give his tongue more room, I guess is what they said, so he wouldn't snore. Well, he went through this, and it was a horrible surgery. I really felt very, very bad for him. He was out of work for six weeks, and he had high hopes that this was going to work and our life was going to change, we could sleep in the same room together, go on vacation, the guys wouldn't be hassling him. Well, that did work for quite a while, and then it started up again, and I'll tell you what, I was even afraid to tell him, because I couldn't believe it myself. It's aggravating, it's annoying, I don't get a good night's sleep, he doesn't get a good night's sleep. I hated to say it, but I was happier when he was at the fire department because I got a good night's sleep.

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TINA HINES: And I was aggravated. You're talking two surgeries, what's it going to take? He tried those stupid nose strip things, they didn't work. So, one day I'm sitting here watching TV and I see a commercial out here in Phoenix and a couple is talking about the same thing, and I'm thinking, Well, what have I got to lose? Well, my husband tells me I'm nuts, because if two surgeries didn't work, the spray was not going to work. I figure, Well, I'm going to try it. So, I sent for it, put it on the nightstand, the first night he was home, I woke him up, I said, John, spray your throat. He said, Yeah, yeah, yeah, yeah. I said, John, please, spray your throat. So, we sprayed his throat, and I'm like waiting -- I'm laying there, I'm laying there, I'm like, Oh, wow, he was sleeping, there was no noise coming out of him. And I was -- I was pretty well hooked. And he still was not a believer. He said it was just a fluke. So, it took a few times of using the SNORenz. Now, I'll tell you what, he's taken it up to the fire department. I have the wives calling from the fire department asking me the 800 number. I've given away more bottles, I can't tell you, because I belong to the SNORenz Bottle of the Month Club, and I just gave one to my daughter last week, she came over, and she was like, Mom, I'm going crazy, Kenny's snoring. I said, Here, take my last bottle, take it home.

INFOMERCIAL: VP SNORENZ 3 - KT [Exhibit F]

U. KEVIN TRUDEAU: Now . . . was this a patented process that this Korean gentleman invented?

JOHN ZIGLAR: No, it wasn't, Kevin. At the time, what he had was a combination of oils that he had in a little formula that he sprayed in the back of his throat and then Paul went to his laboratories and he developed a liposome formulation of the all-natural oils. He put some vitamins, minerals in it and put a whole lot better taste. He put a spearmint taste into the product so that it would taste good and then still solve the problem.

KEVIN TRUDEAU: So, now this is a patented formula?

JOHN ZIGLAR: Yes, it is.

KEVIN TRUDEAU: Okay. Patented process.

- V. KEVIN TRUDEAU: So, this -- this -- this is an all-natural product; this is clinically tested; no after effects; natural ingredients; vitamin enhanced; fresh breath -- 97 percent effective. . . .
- W. KEVIN TRUDEAU: Tell me how this eliminates the snoise of noring (sic). What exactly happens when I spray this in my mouth before I go to sleep?

JOHN ZIGLAR: Because of the technology -- what we have been able to do with the oils in this product, is we have been able through a liposome technology, put it so that when it lands on the back of your throat it will actually stay there. It will stay topical for up to eight hours.

- X. KEVIN TRUDEAU: It's a patented product. It's not available in any stores. It's only available directly from the company. Call the number on your screen to get more information on SNORenz. It's very inexpensive, it tastes great, it's all-natural, it's clinically proven to eliminate the noise of snoring in 97 percent of the cases, and in my personal experience is virtually 100 percent.
- Y. KEVIN TRUDEAU: The person who snores, Dr. Leonard, if they are snoring and it "doesn't bother them."

DR. LEONARD: Um-hmm.

KEVIN TRUDEAU: They don't get woken up. Is it, in fact, having an adverse effect on the person's sleep patterns, thus making them more potentially irritable and fatigued during the day?

DR. LEONARD: Certainly. Potential irritability and fatigue throughout the day has got to be commonplace.

KEVIN TRUDEAU: Now, why is that? I mean, if I snore and I don't wake up during the night and I don't -- I don't even know I snore –

DR. LEONARD: Um-hmm.

KEVIN TRUDEAU: -- how is it having that effect on me?

DR. LEONARD: If you're sleeping and snoring, obviously, like you're talking about exchanging air and still breathing and your air passage is restricted, once things are restricted to a point, you automatically or for the most part most people will wake up, catch a deep breath, roll over, what-have-you. So, yeah, your sleep pattern is disturbed by that.

KEVIN TRUDEAU: So, a person may not even realize that he's constantly waking up and going back to bed during the night?

DR. LEONARD: That's right.

. . .

Z. KEVIN TRUDEAU: Folks, if you're watching right now and you are a snorer or if you know someone that is, get on the telephone and call to get SNORenz. It's a very simple, all natural product, it's just natural oils with some vitamins and minerals. You simply just spray it in your mouth three times before you go to bed. It tastes great, it's a patented product, it has been proven to be 97 percent effective in eliminating the snoise -- the noise of snoring. . . . It's all natural, it's patented, and it's not available in any store. So, pick up the phone right now for more information on SNORenz. And it's pennies, it's very cheap and it'll eliminate your snoring.

(Music playing.) ON SCREEN: For more information or to order Snorenz call:

Tru-Vantage International, 7300 N. Lehigh Ave, Niles, IL 60714 (847)647-0300.

If snoring is accompanied by any signs of Sleep Apnea, you should consult a physician before using any product.

The preceding has been a paid commercial for SNORENZ brought to you by Kevin Trudeau's Tru-Vantage International, America's premier direct response marketing company.

INFOMERCIAL: <u>VP SNORENZ 4 - JD</u> [Exhibit G]

- AA. JON DENNY: If you have a snoring problem, if you have problems sleeping next to a snorer, then SNORenz may be the answer you've been waiting for. Snoring can seriously reduce your energy levels, your concentration, and can seriously affect your work habits, as well. And you can be sure your snoring is seriously bothering someone other than you. SNORenz is the first all-natural spray that has been proven to give you a healthy, natural, good night's sleep. It has no side effects, it's as easy as a few sprays before bed, and it lasts all night.
- BB. JON DENNY: And if you want more information about this revolutionary, breakthrough product which has been proven effective in 97 percent of cases to eliminate or reduce the sound of snoring, call the toll-free 800 number on your screen, get more information about SNORenz. Do it for him, do it for yourself, do it for your family. It is worth the phone call, and it is pennies per day to end the snoring problem. This is a product, as I mentioned, that has been proven effective in studies. And you actually conducted the studies out of your offices in Michigan. Tell us about how SNORenz worked.

DR. BOB CURRIER: Interestingly enough, it's not only the results of the studies we got, but the comments we received. Many people, again, they're aware of snoring, but they aren't aware of the problems that come with it. And actually it's like until it's resolved, the snoring itself, oh, my word, what a problem it was. And you can see the changes it's made. That was probably the most interesting part of doing that whole study –

JON DENNY: Um-hmm.

DR. BOB CURRIER: -- was the comments that we got back, the little stories that people had through the week –

JON DENNY: Yes.

DR. BOB CURRIER: -- you know, of using this product. And that was the beauty of this. I loved doing the study, it was highly effective.

INFOMERCIAL: VP SNORenz 8 JD/JPK [Exhibit H]

CC. JON DENNY: For millions of Americans, this is the most annoying and unwelcome sound in the world. That's right, more than 90 million Americans have a snoring problem, and it could cause sleeplessness, headaches and a lack of energy, and that goes for the snorer as well as the person trying to sleep next to the snorer. What can be done about it? On Vantage Point today, hear about a new discovery that could eliminate the sound of snoring.

ON SCREEN: Vantage Point with Jon Denny

DD. JON DENNY: Hi, I'm Jon Denny, and welcome to Vantage Point. We are going to talk about snoring today and we're going to do it with Paul Kravitz, who has brought to the market an exciting break-through product called SNORenz, which has been proven from snorers around the country to reduce or eliminate their snoring problem. Paul, welcome to the show.

PAUL Kravitz: Thank you, Jon.

JON DENNY: Tell me, is this a break-through medical discovery; is this a revolutionary new direction to help people stop this snoring problem?

ON SCREEN: Paul Kravitz/SNORenz/TVI

PAUL Kravitz: Well, Jon, I don't know if you'd call it a medical breakthrough or a new discovery. To me it was a major breakthrough. In fact, it saved my marriage. I had been a heavy snorer for years and at one point in my life my -- my ribs hurt so much in the morning from my wife poking me to wake up to stop snoring, it was just a terrible thing. And over the course of many years I was thinking about surgery -- there were a lot of potential cures that I -- that I thought I would find to help the situation out. And I met somebody about six or seven years ago, a Korean gentleman who lived in Brazil, actually, and who was working with an EMT specialist who lived next door, and they came up with a -- with a product and I had met him, they were looking for somebody to invest in a company, and things just went -- went the way of the world -- and finally I asked him if I could try the product, and I did. And it worked. It was – at the it was in its infancy, it was terrible tasting, and – but it worked, and I used it for five days straight and I made a small investment, which became a larger investment, and even a larger investment. Until, finally, I bought the formula from the Korean and we went to work

on it. It took a year and a half to develop, and, Jon, we've tested it, we've proven it, it works. And it works and it's a very simple way it does work.

EE. JON DENNY: How does SNORenz work to correct or address the problem you're talking about?

PAUL Kravitz: Well, very simply put, it oils the vibrating parts of your -- of your throat. And when you put oil on a -- on a rusty part, it silences it. And that's exactly how it does work. The secret of the product, and what we've spent millions of dollars to find out, is how to get it to attach itself -- the product itself -- the spray -- to stay in the back of the throat so that the noise stays -- I mean, that the noise stays away for six to eight hours.

FF. JON DENNY: Now, why is snoring a problem? On one hand we know it's a problem for the person sleeping next to us, the snorer, they're not getting enough sleep because of that sound coming right next to them, but in what other ways is snoring a real problem for both the snorer as well as the person trying to sleep next to them?

PAUL KRAVITZ: Well, from the snorer's point of view, Jon, it's a major problem. First of all, you don't know it, but if you were a snorer, you wake up maybe a thousand times a night, because the snoring does wake you up. You go right back to sleep again, and then you wake up again. Even if your wife doesn't wake you up or your girlfriend doesn't wake you up, you are really not sleeping soundly.

GG. JON DENNY: Interestingly. We have Dr. Mike Leonard on the line from Kalamazoo, Michigan. Dr. Leonard, are you with us?

DR. LEONARD: Yes, I am.

JON DENNY: Dr. Leonard, I believe, conducted some tests on the efficacy of this product out of his offices in Michigan. Dr. Leonard, let me ask a question. As a dentist, is this something that you have recommended to your patients who have sleep problems, most particularly snoring problems?

ON SCREEN: caller: Dr. Michael Leonard/Kalamazoo, MI/TVI

DR. LEONARD: Yes. Initially, as a dentist, we -- in the -- historically we fabricate occlusal appliances or guards that go in your mouth that, oh, essentially keep your mouth open wider or really position your lower jaw forward so you can keep the airway open like you were talking about earlier and don't have those tissues vibrating and rolling around. The problem is a lot of people can't tolerate those appliances.

They are large, they are cumbersome and throughout the night if you've got it in your mouth you may end up with it on your pillow in the morning because you just subconsciously take it out.

JON DENNY: These are clamps that dentists have in the past put into people's mouths to create more air space?

DR. LEONARD: Exactly. Very -- of varying different sizes and shapes, et cetera, but they're custom-made appliances and for some people that can't tolerate them, it's -- it's an expense to go through if you're not going to be able to utilize it. So, I had -- through the grapevine -- heard about a spray to use and got the name of the company, called them up and ordered a case of SNORenz and had it sent to my office to start dispensing to patients and having them try it out and see what they thought, because, quite simply, it's easily reversible. If you are not tolerating it, if it was not working, you just stop using it. You're not really out anything. And that -- the feedback that I got was very, very positive. People were getting good results and the people that were coming in with the problems were not the snorers themselves, it was the mate -- the partner -- that was sleeping next to them that was kept up all night or irritated all night that they're having to roll their spouse over to get them to quiet down a little bit so they could get a more restful sleep.

HH. JON DENNY: Now, there have been not only clamps but also pills that have been tried and also strips across one's nose, and very expensive and painful surgeries as well.

DR. LEONARD: That's right.

JON DENNY: So, Doctor, would you consider SNORenz to be a logical commonsense approach to a typical snoring problem?

DR. LEONARD: It's an extremely logical, common-sense, first-line approach to dealing with it. Use it and if you use it properly and if you use it consistently, I find that it works. It works for me and it works for a number of the patients that I'm having use it in the practice.

II. JON DENNY: If you want more information about SNORenz, the patented process, all-natural spray that could help reduce or eliminate the sound of snoring, if you are a snorer or you sleep next to a snorer, this may be the product for you. Money-back guarantee, it costs pennies to address this very serious problem, and hopefully you shall all get a full, restful, silent night's sleep. I'm Jon Denny on Vantage Point. I think I'm going to knock off a few sprays, because I've been told I'm a snorer. We'll see you next time on Vantage Point. Take care. **ON SCREEN:** For more information or to order Snorenz call:

Tru-Vantage International 7300 N. Lehigh Ave. Niles, IL 60714 (847)647-0300

If snoring is accompanied by any signs of Sleep Apnea, you should consult a physician before using any product.

The preceding has been a paid commercial program for SNORENZ.

SNORenz INTERNET SITE at www.snorenz.com [Exhibit I]

JJ. SNORenz Testimonials

Dear Med Gen:

My husband had the good fortune to make his snoring cease. He had apnea and has snored heavily for years. We noticed little or no improvement in his snoring even after his operation. I ordered *SNORENZ*® from a TV advertisement. He tried it and snores lightly now -- no rattling the house and he dreams now which is an indication of REM sleep. I suppose he feels rested – and we feel rested too. After 44 years of heavy snoring, it is a real pleasure to find a product that works. An additional fortune is that it is natural. Ahhhh....Thanks *SNORENZ*®!

Beth Anderson Perry, Florida

PRESS RELEASES [Exhibit J]

KK. Med Gen Inc. manufactures and distributes SNORENZ®, an all natural throat spray that reduces or eliminates the sounds caused by snoring. Laboratory tests have proven the spray to be effective in reducing snoring noise.

6. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that:

A. SNORenz significantly reduces or eliminates snoring or the sound of snoring in users of the product.

- B. A single application of SNORenz significantly reduces or eliminates snoring or the sound of snoring for six to eight hours.
- C. SNORenz can eliminate, reduce or mitigate the symptoms of sleep apnea including daytime tiredness and frequent interruptions of deep restorative sleep.
- D. Testimonials from consumers appearing in the advertisements for SNORenz reflect the typical or ordinary experience of members of the public who use the product.

7. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 6, at the time the representations were made.

8. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 6, at the time the representations were made. Among other reasons, the single study that respondents relied upon that purported to use a double blind, controlled design contained basic flaws in design (such as failure to apply an appropriate measurement to assess sound reduction, failure to include a statistical analysis of the results, insufficient duration of the testing period, and failure to develop a baseline against which any improvement could be measured). Therefore, the representation set forth in Paragraph 7 was, and is, false or misleading.

9. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that clinical research proves that SNORenz significantly reduces or eliminates snoring or the sound of snoring.

10. In truth and in fact, the respondents' clinical research does not prove that SNORenz significantly reduces or eliminates snoring or the sound of snoring. Among other things, critical components of the research were not done by an independent entity qualified to conduct studies or by Robert Currier, M.D. Rather, the respondents composed the questionnaire used in the study and compiled the results from completed questionnaires submitted by study participants. Therefore, the representation set forth in Paragraph 9 was, and is, false or misleading.

11. In their advertising and sale of SNORenz, respondents have represented, expressly or by implication, that the product reduces or eliminates snoring or the sound of snoring. Respondents have failed to disclose or to disclose adequately that SNORenz is not intended to treat sleep apnea for which snoring is a primary symptom, that sleep apnea is a potential life-threatening condition, and that persons who have symptoms of sleep apnea should consult a physician. These facts would be material to consumers in their purchase or use of the product. The failure to disclose adequately these facts, in light of the representation made, was, and is, a deceptive practice.

12. In their advertising and sale of SNORenz, respondents have represented, expressly or by implication, that a physician, Robert (or "Bob") Currier (or "Courier"), M.D., endorses SNORenz. Respondents have failed to disclose or failed to disclose adequately that Dr. Currier has a material connection with respondent, Med Gen, Inc., in that he is an investor in the company and may have a financial interest in promoting the sale of SNORenz. This fact would be material to consumers in their purchase decision regarding SNORenz. The failure to disclose this fact, in light of the representations made, was and is a deceptive practice.

13. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices, and the making of false advertisements, in or affecting commerce in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this twelfth day of July, 2002, has issued this complaint against respondents.

By the Commission.

Donald Clark Secretary

SEAL: