

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of)	Docket No. C-3675
)	
NORDICTRACK, INC.,)	
a corporation.)	

COMPLAINT

The Federal Trade Commission, having reason to believe that NordicTrack, Inc., a corporation ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH ONE: Respondent NordicTrack, Inc. is a Minnesota corporation, with its principal office or place of business at 104 Peavey Road, Chaska, Minnesota 55318.

PARAGRAPH TWO: Respondent has manufactured, advertised, labelled, offered for sale, sold, and distributed various exercise equipment to consumers, including its cross-country ski exercisers.

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

PARAGRAPH FOUR: Respondent has disseminated or has caused to be disseminated advertisements for its cross-country ski exerciser, including but not necessarily limited to the attached Exhibits A-E. These advertisements contain the following statements and depictions:

- A. NordicTrack simply gives you a better work-out in less time and that makes losing weight easy. Here's proof. In a recent survey, people who purchased their NordicTrack to lose weight, said they lost an average of 17 pounds,

{depicting a woman exercising on a NordicTrack losing weight as she continues to use the machine}

{on screen: Lost an Average of 17 lbs. Individual results vary.}

and what's more, 80% said they kept it off for at least one year. Now that is true success especially when you compare that to diets where only 5% keep the weight off after a year.

{on screen: Weight off for one year

NordicTrack Dieting}

But even more impressive is how easy it is to attain those benefits for yourself. ...

....

A lot of people use NordicTrack to lose weight. If that's your fitness goal, then be sure and stay with us because when we come back you'll learn about NordicTrack's incredible, proven weight loss program

...
....

... you will get results. That's something you really can't get from diet centers or ordinary exercise machines. But you can with NordicTrack. Just look at these statistics. Seven of every 10 people who bought NordicTrack to lose weight, lost an average of 17 pounds.

{on screen: 7 in 10 lost 17 lbs! Individual results vary.}

... And if you're really concerned about losing weight, this statistic is really impressive. 80% of those who lost weight using NordicTrack kept it off for one year or more.

{on screen: 80% kept the weight off for over one year.
Study of owners who purchased NordicTrack to lose weight}

You too can lose weight because NordicTrack is a proven formula for taking weight off and keeping it off.
(Exhibit A: infomercial)

- B. In fact, research shows that of those who bought a NordicTrack to lose weight, 7 in 10 lost an average of 17 pounds. And 80% of them kept it off for over a year. (Exhibit B: print ad) (emphasis in original)

C. **Diets alone don't work.**

Diets don't keep the weight off. But studies reveal that 8 in 10 people who bought a NordicTrack for weight control lost an average of 17 pounds. And after a year, they still kept it off!

Our calorie-blazing workout is the best way to lose and keep off the weight (and waist).

The easy way to melt pounds away.

NordicTrack's *patented flywheel and one-way clutch system* provides a smooth workout that takes as little as 20 to 30 minutes, 3 times a week.

(Exhibit C: print ad)

- D. NordicTrack: Fastest way to melt your winter fat. ... And it takes as few as 20 minutes, three times a week. **Lose weight fast with "The World's Best Aerobic Exerciser®."** ... That's why NordicTrack users recently lost an average of 18 lbs. - in just 12 weeks. (Exhibit D: print ad) (emphasis in original)

E. HOW 20 MINUTES CAN CHANGE YOUR LIFE.

NordicTrack gives you more of a workout in less time than any other in-home exerciser. It's the best way to get the exercise you need to enjoy a long, healthy life. It's the only way to get the total-body workout that has changed the way America exercises. And all it takes is 20 minutes, three times a week.

....

When you begin your regular NordicTrack workouts, you'll be proud of how fast you achieve your goals.

- If weight loss is your goal, research shows that on average, people can lose 18 pounds in just 12 weeks with NordicTrack.

(Exhibit E: print ad)

PARAGRAPH FIVE: Through the use of the statements and depictions contained in the advertisements referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisements attached as Exhibits A-E, respondent has represented, directly or by implication, that:

- A. Seventy or eighty percent of those who purchased a NordicTrack cross-country ski exerciser to lose weight lost an average of seventeen pounds;
- B. Eighty percent of those who purchased a NordicTrack cross-country ski exerciser to lose weight and lost weight using it maintained all of their weight loss for at least a year;
- C. Eighty percent of those who purchased a NordicTrack cross-country ski exerciser to lose weight maintained all of their weight loss for at least a year;
- D. Consumers who use NordicTrack cross-country ski exercisers for twenty minutes a day, three times per week, lose an average of eighteen pounds in twelve weeks.

PARAGRAPH SIX: Through the use of the statements and depictions contained in the advertisements referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisements attached as Exhibits A-E, respondent has represented, directly or by implication, that at the time it made the representations set forth in PARAGRAPH FIVE, respondent possessed and relied upon a reasonable basis that substantiated such representations.

PARAGRAPH SEVEN: In truth and in fact, at the time it made the representations set forth in PARAGRAPH FIVE, respondent did not possess and rely upon a reasonable basis that substantiated such representations. Respondent based its success rate claims on studies which suffered from various methodological flaws. The results of the studies reflect the experiences of only a highly selected population of purchasers who were able to integrate the NordicTrack cross-country ski exerciser into their regular, weekly, exercise regime. One such study involved putting thirty-eight participants through a rigorous twelve-week exercise

program. Respondent based weight-loss claims on the average weight loss experienced by the twenty participants (53 percent) able to complete the program. The studies also failed to take into account changes in the dietary habits of purchasers. Furthermore, the studies were based on self-reported body weights, unadjusted for bias, which may yield inaccurate results. As a result of these methodological flaws, respondent's studies did not constitute a reasonable basis that substantiated the representations set forth in PARAGRAPH FIVE. Therefore, the representation set forth in PARAGRAPH SIX was, and is, false and misleading.

PARAGRAPH EIGHT: Through the use of the statements and depictions contained in the advertisements referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisements attached as Exhibits A-E, respondent has represented, directly or by implication, that competent and reliable research or studies prove the representations set forth in PARAGRAPH FIVE.

PARAGRAPH NINE: In truth and in fact, competent and reliable research or studies do not prove the representations set forth in PARAGRAPH FIVE. Therefore, the representation set forth in PARAGRAPH EIGHT was, and is, false and misleading.

PARAGRAPH TEN: Through the use of the statements and depictions contained in the advertisements referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisement attached as Exhibit A, respondent has represented, directly or by implication, that only five percent of those who lose weight on diets keep the weight off after a year.

PARAGRAPH ELEVEN: Through the use of the statements and depictions contained in the advertisements referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisement attached as Exhibit A, respondent has represented, directly or by implication, that at the time it made the representation set forth in PARAGRAPH TEN, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PARAGRAPH TWELVE: In truth and in fact, at the time it made the representation set forth in PARAGRAPH TEN, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in PARAGRAPH ELEVEN was, and is, false and misleading.

PARAGRAPH THIRTEEN: The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or

practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this seventeenth day of June, 1996, has issued this complaint against respondent.

By the Commission.

Donald S. Clark
Secretary