UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Joseph J. Simons, Chairman

Noah Joshua Phillips

Rohit Chopra

Rebecca Kelly Slaughter Christine S. Wilson

In the Matter of

HEALTH RESEARCH LABORATORIES, LLC, a limited liability company,

WHOLE BODY SUPPLEMENTS, LLC, a limited liability company, and

DOCKET NO. 9397

KRAMER DUHON, individually and as an officer of HEALTH RESEARCH LABORATORIES, LLC and WHOLE BODY SUPPLEMENTS, LLC.

COMPLAINT

The Federal Trade Commission, having reason to believe that Health Research Laboratories ("HRL"), a limited liability company, Whole Body Supplements ("WBS"), a limited liability company, and Kramer Duhon, individually and as an owner and officer of HRL and WBS (collectively, "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 HRL is a Nevada limited liability company with its principal office or place of business at 16250 Knoll Trail Drive, Dallas, TX 75248.
- 2. Respondent WBS is a Nevada limited liability company with its principal office or place of business at 16250 Knoll Trail Drive, Dallas, TX 75248.
- 3. Respondent Kramer Duhon is the Chief Operating Officer and managing member of HRL and the Chief Operating Officer and managing member of WBS. Individually or in concert with others, he controlled or had the authority to control the acts and practices of HRL and WBS, including the acts and practices alleged in this complaint. His principal office or place of business is 16250 Knoll Trail Drive, Dallas, TX 75248.

- 4. Respondents have advertised, labeled, offered for sale, sold, and distributed, or caused to be distributed a number of dietary supplement products to consumers. HRL sold, among other products, Black Garlic Botanicals, The Ultimate Heart Formula, and Neupathic. WBS sold BG18, among other products. Black Garlic Botanicals, BG18, The Ultimate Heart Formula, and Neupathic are "food" and/or "drugs" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.
- 5. 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.

Black Garlic Botanicals

- 6. HRL began selling Black Garlic Botanicals in November 2016. Each capsule contains 600 mg of the active ingredient black garlic, and the recommended dosage is two capsules a day. HRL sells a one-month supply of Black Garlic Botanicals for \$39.95, plus shipping and handling.
- 7. HRL has disseminated or has caused to be disseminated advertising and promotional materials for Black Garlic Botanicals in multi-page mailers sent to consumer residences and on company websites. The Black Garlic Botanicals mailer attached as Exhibit A opens with the following representations and depictions:

Every 90 seconds, someone dies from heart disease in the U.S. — are you next?

1 in 7 people die from heart disease.

Only 10% of people survive cardiac arrest if treated by emergency medical services. What are you waiting for?

GOOD NEWS: Everything you need to know about your heart health is in this issue!



Exhibit A (Black Garlic Botanicals mailer)

This front-page content is followed by additional descriptions of the dangers of cardiovascular disease. For example, the second and third pages display a banner across the top, which states, "Cardiovascular Disease: #1 cause of Death in the world, especially the U.S.!" A banner at the bottom states, "There's a miraculous natural solution that can help – find out what it is!!"

The mailer continues with the following statements about the efficacy of black garlic in reducing arterial plaque, blood pressure, and cholesterol:

- BLACK GARLIC WORKS WITH YOUR BODY
 - Cholesterol: Black Garlic helps maintain healthy cholesterol levels.
 - Clotting: Black Garlic supports healthy platelet aggregation, which can help to keep blood circulating and works against clotting.

- Supports and helps maintain healthy blood pressure levels to combat risks.
- Healthy Arteries

Plaque build-up in arteries can lead to unhealthy heart conditions. Black Garlic helps keep blood vessels barrier-free to create smooth flow, which could address symptoms of fatigue. It may also inhibit calcium binding, which is responsible for arterial plaque formation.

- Want Healthy Blood Pressure & Cholesterol? Black Garlic helps maintain healthy blood pressure, cholesterol and triglyceride levels.
- BLACK GARLIC

A BREAKTHROUGH FOR

- ✓ Cholesterol
- ✓ Blood Sugar
- ✓ Blood Pressure
- ✓ The Heart
- ✓ The Brain
- "I made the switch to Black Garlic Botanicals and within the span of 3 months my LDL levels have reduced from 300 to 150. This product works!" ~ Gerald W.
- "I now have my blood pressure under control with Black Garlic Botanicals. This is a quality product!" ~ Rolf M.

BG18

- 8. WBS began selling BG18 in August 2017. The product has identical ingredients to Black Garlic Botanicals. Each capsule contains 600 mg of the active ingredient black garlic, and the recommended dosage is two capsules a day. WBS sells a one-month supply of BG18 for \$44.95, plus shipping and handling.
- 9. WBS has disseminated or has caused to be disseminated advertising and promotional materials for BG18, including multi-page mailers and content on company websites. An example of a mailer for BG18 is attached as Exhibit B.

The front page of the attached BG18 mailer features an image of a caduceus and, a photograph of a doctor in a white coat, and states "Black Garlic has shown an amazing power to improve heart and cardiovascular health, maintain normal cholesterol levels, boost your immune system. And MUCH MORE!" The mailer continues with the following representations:

• Black Garlic is a proven miracle for . . . Cholesterol . . . Hypertension . . . Your Heart.

- [Black Garlic] can help reverse plaque build-up in arteries not just slow it down. Black Garlic keeps blood vessels barrier-free to create a smooth blood flow and alleviates symptoms of fatigue. It also strongly inhibits calcium binding, which is responsible for plaque build-up.
- Reduces Blood Pressure and Cholesterol. . . Black Garlic helps reduce high blood pressure and lowers high levels of bad cholesterol and triglycerides.
- "My blood pressure has also been lowered. I recommend this product because IT WORKS!" ~ Lorraine T.
- On the following page, the brochure poses this question and answer:

Could Black Garlic be the Japanese Secret

to Significantly Reducing Heart Attack Risk? For all natural, safe, effective heart health, <u>nothing</u> even compares to Black Garlic!

That's why, for many people across the U.S., Black Garlic has been the answer to reducing their risk of America's #1 killer...

Each year, 635,000 people in the U.S. have their first heart attack! And cardio- vascular disease is the leading cause of global death, causing 17.3 million deaths a year — a number that's expected to grow to more than 23.6 million by 2030.

Exhibit B (BG18 mailer).

- Yes, Black Garlic is a true miracle for cardiovascular health! Just 1 capsule knocks down cholesterol and high blood pressure within days. It can also unblock, clean, and strengthen your arteries.
- The cardio-protective effect of black garlic... Black garlic can also improve your lipid profile, an important factor in protecting against cardiovascular problems.

The Ultimate Heart Formula

10. HRL has been selling The Ultimate Heart Formula ("UHF") since November 2008. UHF contains Vitamins C, E, and B12 as well as garlic extract (25 mg), Tetrasodium EDTA (40 mg), Ubiquinol (CoEnzyme Q-10) (5 mg), and Nattokinase (10 mg). HRL sold a one-month's supply of UHF for \$39.95, plus shipping and handling. The recommended dosage is 20 drops or 1ml, twice per day.

11. HRL disseminated or caused to be disseminated advertisements for UHF, including multipage mailers and company websites. An example of a mailer is attached as Exhibit C, which contains the following statements and depictions on its first and second pages:



Richard Cohen, M.D. Scientific Advisor

"When it comes to a sudden heart attack... What You Don't Know CAN Hurt You!"



Exhibit C (The Ultimate Heart Formula mailer).



"It's no secret... Heart Attack is the #1 killer of men and women."

"If you want to <u>AVOID</u> it, I have good news about a revolutionary <u>NEW</u> and <u>NATURAL</u> treatment that can help keep your arteries clear and your mind at ease."

Avoiding a heart attack is all about keeping your arteries clear, your cholesterol in check, your blood pressure low and your risk of a blood clot low... so accumulated plaque does not close off an artery or break off and cause a stroke.



Now there's a new, improved twist on our most effective natural, heart-helping treatment.

Exhibit C (The Ultimate Heart Formula mailer, p.2)

These depictions and representations are followed by a number of additional claims, including:

- Instead, right before you is a simple, safe, inexpensive, non-painful and preventative option that could help you say goodbye to your heart surgeon and avoid an angioplasty.
- Our Ultimate Heart Formula can help support a healthy heart, healthy
 cholesterol and healthy blood pressure. As blockages in your veins and
 arteries become clear, you can experience better blood circulation –
 resulting in more energy, better sleep, sharper mental clarity and better
 health.
- The Ultimate Heart Formula also contains a powerful, clot-busting agent!
- The Ultimate Heart Formula is an all-natural combination of 19 powerful herbs and essential nutrients that counter the causes of poor cardio health. The Ultimate Heart Formula's unique "Senior Formula" is made with ingredients specifically shown to help improve the effects of a weakened heart, clogged arteries, high blood pressure and high cholesterol for older people!
- With our Ultimate Heart Formula ... You get it ALL ... Amazing heart and artery protection ... without side effects!

• Yes, with the Ultimate Heart Formula, a lifetime of plaque build up could disappear before you know it! The artery-flushing power of this formula does not even require a doctor's visit or stay in the hospital!

Neupathic

- 12. Beginning in August 2016, HRL also sold a dietary supplement called Neupathic. Neupathic contains the following active ingredients: Vitamins E (30 IU), B1 (33.3 mg), B6 (33.3 mg), B12 (16.7 mcg), and folate (266.7 mcg), and Evening Primrose Oil (666.7 mg). HRL sold a one-month's supply of Neupathic for \$39.95, plus shipping and handling. The recommended dosage is two capsules per day.
- 13. HRL has disseminated or caused to be disseminated advertising and promotional materials for Neupathic, including multi-page mailers and content on company websites. An example of a mailer is attached as Exhibit D, which contains the following depictions and statements on the first page:

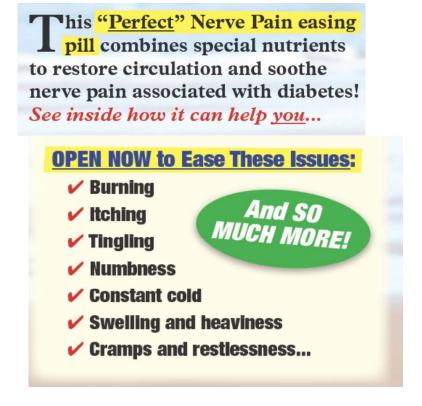


Exhibit D (Neupathic mailer).

The mailer continues inside with additional claims:

• If you have diabetic nerve pain, you could suffer with <u>any</u> or <u>all</u> of the symptoms below.

- ✓ Shooting pain
- ✓ Burning
- ✓ Pins and needles
- ✓ Electric shock-like pain
- ✓ Extra sensitivity
- ✓ Numbness
- ✓ Throbbing
- ✓ Tingling
- ✓ Stinging
- ✓ Stabbing
- ✓ Radiating

Neupathic was specifically formulated with 6 distinct nutrients to help address ALL these issues and more.

- A "perfect" nerve pain supplement that was formulated from the ground up to improve your circulation and ease the numbness, tingling, itching, burning and swelling from excess fluid trapped in your legs.
- Take this easy step towards normal, pain free legs and feet again! Non-drug ... proven ingredients.

It can also help address the direct cause of nerve pain and neuropathy, damaged nerves, excess fluid — and poor circulation.

Allowing you to:

- ...Increase your mobility
- ...Relieve nerve pain
- ...Reduce swelling and tightness
- ...Gain back your freedom to move easily and enjoy your favorite activities again

Exhibit D (Neupathic mailer, p. 11).

- Respond now if your nerve pain is driving you crazy! You'll get completely natural, real relief from your discomfort. All natural Neupathic is 100% effective and safe to use every day! Remember, it has [sic] shown to help reverse damaged nerves to help you feel great all day and all night.
- "Great reduction of pain. No more nerve pain in my feet. I also hardly notice any leg cramps. This product is great!" Ruth J.
- "Neupathic is a great 'miracle-like product' which starts working the very first day you use it. Then it continues to control your pain every day. My

feet have began [sic] to feel normal. Neupathic has improved my life. My nerve pain is gone and I will continue to take Neupathic until my numbness is gone too!" — Gloria R. Id.

Count I Respondents' Unsubstantiated Claims Related to Black Garlic Botanicals (HRL and Duhon)

- 14. In connection with the advertising, promotion, offering for sale, or sale of Black Garlic Botanicals, HRL and Kramer Duhon have represented, directly or indirectly, expressly or by implication, that Black Garlic Botanicals:
 - a. Prevents or reduces the risk of cardiovascular disease including by lowering blood pressure, improving blood flow, reducing cholesterol, or decreasing arterial plaque;
 - b. Treats cardiovascular disease including by lowering blood pressure, improving blood flow, reducing cholesterol, or decreasing arterial plaque;
 - c. Prevents or reduces the risk of atherosclerosis including by reducing cholesterol or decreasing arterial plaque;
 - d. Treats atherosclerosis including by reducing cholesterol or decreasing arterial plaque; and
 - e. Cures, treats, or mitigates hypertension including by decreasing arterial plaque or lowering blood pressure.
- 15. The representations set forth in Paragraph 14 were not substantiated at the time the representations were made.

Count II Respondents' Unsubstantiated Claims Related to BG18 (WBS and Duhon)

- 16. In connection with the advertising, promotion, offering for sale, or sale of BG18, WBS and Kramer Duhon have represented, directly or indirectly, expressly or by implication, that BG18:
 - a. Prevents or reduces the risk of cardiovascular disease including by lowering blood pressure, improving blood flow, reducing cholesterol, or decreasing arterial plaque;
 - b. Treats cardiovascular disease including by lowering blood pressure, improving blood flow, reducing cholesterol, or decreasing arterial plaque.

- c. Prevents or reduces the risk of atherosclerosis including by reducing cholesterol or decreasing arterial plaque;
- d. Treats atherosclerosis including by reducing cholesterol or decreasing arterial plaque; and
- e. Cures, treats, or mitigates hypertension including by decreasing arterial plaque or lowering blood pressure.
- 17. The representations set forth in Paragraph 16 were not substantiated at the time the representations were made.

Count III Respondents' Unsubstantiated Claims Related to UHF (HRL and Duhon)

- 18. In connection with the advertising, promotion, offering for sale, or sale of UHF, HRL and Kramer Duhon have represented, directly or indirectly, expressly or by implication, that UHF
 - a. Prevents or reduces the risk of cardiovascular disease including by lowering blood pressure, improving blood flow, reducing cholesterol, or decreasing arterial plaque;
 - b. Treats cardiovascular disease including by lowering blood pressure, improving blood flow, reducing cholesterol, or decreasing arterial plaque.
 - c. Prevents or reduces the risk of atherosclerosis including by reducing cholesterol or decreasing arterial plaque;
 - d. Treats atherosclerosis including by reducing cholesterol or decreasing arterial plaque; and
 - e. Cures, treats, or mitigates hypertension including by decreasing arterial plaque or lowering blood pressure.
- 19. The representations set forth in Paragraph 18 were not substantiated at the time the representations were made.

Count IV Respondents' Unsubstantiated Claims Related to Neupathic (HRL and Duhon)

20. In connection with the advertising, promotion, offering for sale, or sale of Neupathic, HRL and Kramer Duhon have represented, directly or indirectly, expressly or by implication, that Neupathic:

- a. Cures, treats, or mitigates diabetic neuropathy including by improving blood circulation, or eliminating or alleviating diabetic nerve pain and discomfort.
- 21. The representations set forth in Paragraph 20 were not substantiated at the time the representations were made.

Violations of Sections 5 and 12

22. 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.

NOTICE

You are notified that on July 13, 2021, at 10:00 a.m., at the Federal Trade Commission offices, 600 Pennsylvania Avenue, NW, Room 532-H, Washington, DC 20580, an Administrative Law Judge of the Federal Trade Commission will hold a hearing on the charges set forth in this Complaint. At that time and place, you will have the right under the Federal Trade Commission Act to appear and show cause why an order should not be entered requiring you to cease and desist from the violations of law charged in this Complaint.

You are notified that you are afforded the opportunity to file with the Federal Trade Commission ("Commission") an answer to this Complaint on or before the 14th day after service of the Complaint upon you. An answer in which the allegations of the Complaint are contested must contain a concise statement of the facts constituting each ground of defense; and specific admission, denial, or explanation of each fact alleged in the Complaint or, if you are without knowledge thereof, a statement to that effect. Allegations of the Complaint not thus answered will be deemed to have been admitted.

If you elect not to contest the allegations of fact set forth in the Complaint, the answer should consist of a statement that you admit all of the material facts to be true. Such an answer will constitute a waiver of hearings as to the facts alleged in the Complaint and, together with the Complaint, will provide a record basis on which the Commission may issue a final decision containing appropriate findings and conclusions and a final order disposing of the proceeding. In such answer, you may, however, reserve the right to submit proposed findings of fact and conclusions of law under FTC Rule § 3.46.

Failure to answer timely will be deemed to constitute a waiver of your right to appear and contest the allegations of the Complaint. It will also authorize the Commission, without further notice to you, to find the facts to be as alleged in the Complaint and to enter a final decision containing appropriate findings and conclusions and a final order disposing of the proceeding.

The Administrative Law Judge will hold an initial prehearing scheduling conference not later than 10 days after the answer is filed by the last answering Respondent. Unless otherwise directed by the Administrative Law Judge, the scheduling conference and further proceedings will take place at the Federal Trade Commission, 600 Pennsylvania Avenue, NW, Room 532-H, Washington, DC 20580. Rule 3.21(a) requires a meeting of the parties' counsel as early as practicable before the prehearing scheduling conference, but in any event no later than 5 days after the answer is filed by the last answering Respondent. Rule 3.31(b) obligates counsel for each party, within 5 days of receiving a Respondent's answer, to make certain initial disclosures without awaiting a formal discovery request.

Moreover, the Commission has reason to believe that, if the facts are found as alleged in the Complaint, it may be necessary and appropriate for the Commission to seek relief to redress injury to consumers. Such relief could be in the form of restitution for past, present, and future consumers and such other types of relief as are set forth in Section 19(b) of the Federal Trade Commission Act. The Commission will determine whether to apply to a court for such relief on the basis of the adjudicative proceedings in this matter and such other factors as are relevant to consider the necessity and appropriateness of such action.

NOTICE OF CONTEMPLATED RELIEF

Should the Commission conclude from the record developed in any adjudicative proceedings in this matter that Respondents have violated or are violating Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a) and 52, the Commission may order such relief against Respondents as is supported by the record and is necessary and appropriate, including but not limited to:

- a. A prohibition on any representation that Respondents' products cure, treat, mitigate, prevent, or reduce the risk of any disease.
- b. A prohibition on representations about the health benefits, safety, efficacy, or the performance of Respondents' products unless those representations are supported by competent and reliable scientific evidence.
- c. A prohibition on misrepresentations regarding tests, studies, or other research.
- d. A requirement that Respondents preserve records relating to competent and reliable clinical tests or studies.
- e. A requirement that Respondents send appropriate notification of the order to all affected customers.
- f. A requirement that Respondents cancel any automatically recurring orders for Black Garlic Botanicals, BG18, UHF, or Neupathic for any existing customer who was first charged before the issuance of the Complaint.
- g. A requirement that Respondents will not use, sell, rent, lease, or transfer any identifying information related to any customer who paid money to any Respondent for Black Garlic Botanicals, BG18, UHF, or Neupathic prior to the issuance of the Complaint.
- h. A requirement that, for a period of time, Respondents send acknowledgments of the order to the Commission.
- i. A requirement that, for a period of time, Respondents create and preserve certain records demonstrating compliance with the order.
- j. A requirement that, for a period of time, Respondents provide notice of all new business activity to the Commission.
- k. A requirement that Respondents file periodic compliance reports with the Commission.
- 1. A requirement that Respondents' compliance with the order be monitored for a term to be determined by the Commission.

m. Any other relief appropriate to correct or remedy the effects of Respondents' deceptive practices or of any or all of the conduct alleged in the complaint.

IN WITNESS WHEREOF, the Federal Trade Commission has caused this complaint to be signed by its Secretary and its official seal to be hereto affixed at Washington, DC, this 13th day of November 2020.

By the Commission.

April J. Tabor Acting Secretary

SEAL: