UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

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In the Matter of)
)
MAXCELL BIOSCIENCE, INC.,)
a corporation, and)
)
STEPHEN CHERNISKE,)
individually and as an officer)
of the corporation.)
)

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that MaxCell BioScience, Inc., a corporation, and Stephen Cherniske, 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 MaxCell BioScience, Inc. ("MaxCell"), is a Delaware corporation with its principal office or place of business at 100 Technology Drive, Broomfield, Colorado 80021. MaxCell has also done business as Oasis Wellness Network.

2. Respondent Stephen Cherniske is President of MaxCell. Individually, or in concert with others, he formulates, directs, controls, or participates in the policies, acts, or practices of MaxCell, including the acts and practices alleged in this complaint. His principal office or place of business is the same as that of MaxCell.

3. Respondents have manufactured, advertised, labeled, offered for sale, sold, and distributed directly to the public and through distributors dietary supplements and related products, including:

A. Longevity Signal Formula ("LSF"), a product containing, among other ingredients, arginine, DHEA, and 7-Keto DHEA, that is advertised as an anti-aging capsule, and

B. The Anabolic/Catabolic IndexTM ("ACI") test, an at-home (with laboratory analysis) urine test that measures the ratio of 17-ketosteroids to creatinine in one urine sample, purportedly to determine an individual's "biological age," or health status.

LSF is a "food" and/or "drug" and the ACI test is a "device" 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.

ACI Test

5. Respondents have disseminated or have caused to be disseminated advertisements, including but not necessarily limited to the attached Exhibits A, portions of a website located at www.oasisnetwork.com, and B, a marketing audiotape. These advertisements contain the following statements:

A. How fast are you AGING?

How old are you? Let's ask this another way. **HOW OLD IS YOUR BODY?** Is it younger or older . . . (sic) than your chronological age? * * *

Announcing the world's first at home anti-aging test (analyzed in a lab), which gives you an amazingly accurate measurement of your rate of aging. It's called **Anabolic/Catabolic Index or ACI.**TM

* * *

Anabolic/Catabolic Index

Track your health progress in the comfort of your own home and monitor your body's ability to prevent many of the side effects of aging.

* * *

...[b]ecome biologically younger within 30 days. (Exhibit A).

B. Draw a straight line horizontally from left to right. At the starting point on the left, write birth, and at the end point on the right, put death. Now, I've got two questions for you. Number one, where are you right now on the scale of birth and death? And number two, if you had a choice, would you like to move to the left back towards greater vitality and youthfulness?

You see, if you use this safe, all-natural product for 30 days, we guarantee that you will look and feel younger. More important, we'll prove it with a before and after test that will verify in black and white that your body's regenerative activity has been increased and you have, as a result, grown biologically younger.

* * *

Stephen Cherniske: "I mean, today, the average anti-aging work-up costs about \$2,000 and involves a lot of painful needle sticks. We found a way to capture that information in one simple and inexpensive test, and there's no pain. The ACI test is a simple urine test that you collect at home."

Narrator: "And once more, what do the results look like? What's the information that no other test can provide?"

Stephen Cherniske: "Well, the ACI pinpoints your location on that line from birth to death. I mean, we compare that to two points, the normal for your age, but more important, the level that has been determined to be optimal for slowing or reversing the aging process." (Exhibit B).

6. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that the ACI test provides a clinical gauge of an individual's overall healthiness or youthfulness.

7. In truth and in fact, the ACI test does not provide a clinical gauge of an individual's overall healthiness or youthfulness. In fact, the ACI test only measures inactive androgen breakdown products in the urine, which products, in most instances, are not a significant or reliable measure of overall healthiness or youthfulness. Therefore, the representation set forth in Paragraph 6 was, and is, false or misleading.

8. 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 representation set forth in Paragraph 6, at the time the representation was made.

9. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representation set forth in Paragraph 6, at the time the representation was made. Therefore, the representation set forth in Paragraph 8 was, and is, false or misleading.

Longevity Signal Formula

10. Respondents have disseminated or have caused to be disseminated advertisements, including but not necessarily limited to the attached Exhibits A and B. These advertisements contain the following statements:

 A. "Anti-Aging in a bottle
Activate your body's regenerative powers! Amazing New Youth Formula is Guaranteed to make you biologically younger in 30 Days or Less and we have the test to prove it!
* * *

'Twelve years ago I was 4 years older than I am right now. That's right. 12 years ago I was 39 years old, both chronologically and biologically. My blood pressure was high normal, cholesterol was 214, and body fat was twice what it is today. Since then by applying the antiaging principles that our new youth formula is based on, I reversed my biological age by 16 years.'

- Stephen Cherniske, President Wellness Network

Your Secret weapon against aging!

Add years to your life, no matter what your present age may be.

* * *

Longevity Signal Formula will reset your biological clock and we have the test that proves it!" (Exhibit A).

"[O]n this interview, you will learn how to add years to your life, no matter what your present age might be."

Stephen Cherniske: I've developed a formula that can help you reset your biological clock and a breakthrough scientific test that can prove it. The product, called Longevity Signal Formula, has a tremendous amount of research support, over 150 scientific studies.

* * *

So, in a very real sense, aging, as we know it, the rapid downhill slide of degeneration is no longer inevitable. In fact, it can be completely avoided.

* * *

Stephen Cherniske: "[With Longevity Signal Formula] the body sends longevity signals to the brain, the brain sends anabolic instructions to the body and this puts you on an

upward spiral that you'll never forget as long as you live. And indications are that that will be a very long life, probably 100 years or more."

* * *

You see, if you use this safe, all-natural product for 30 days, we guarantee that you will look and feel younger. More important, we'll prove it with a before and after test that will verify in black and white that your body's regenerative activity has been increased and you have, as a result, grown biologically younger.

* * *

[W]e provide a product that's been shown in double-blind, placebo-controlled studies to help you achieve the optimal anabolic/catabolic balance." (Exhibit B).

B. Stephen Cherniske: "I mean, there are, as I said, literally hundreds of scientific studies supporting the components of this breakthrough formula. Here are some of the most dramatic new findings.

A study with postmenopausal women demonstrating increased bone density, improved glucose tolerance, enhanced feelings of well-being, decreased body fat, increased muscle mass and increased growth hormone levels.

* * *

And finally, a breakthrough study on nearly 1,000 subjects published in the prestigious journal of epidemiology showing a significant reduction in the risk for atherosclerosis. Now, that's the leading cause of death in Western nations." (Exhibit B).

C. Endorser: "Since starting on Longevity Signal (sic)

* * *

3) After four weeks, I can see better. I can now read my digital alarm clock in the mornings without my glasses.

4) I have lost 18 pounds.

* * *

My wife is happy to have the arthritis in her hands, elbows and knees gone." (Exhibit A).

D. Stephen Cherniske, identified as being 52 years old: "Life extension wasn't enough. I was looking for health extension, and I applied that research at first to myself and I've achieved a 16-year reduction in my biological age. ... [M]y blood pressure is 90 over 60, ... my cholesterol level is 140, percent body fat is 9 percent, about the level of a

highly trained college athlete, and my reaction time, immune profile, blood tests are all better than most 35-year olds.

* * *

[T]welve years ago my blood pressure was high normal, cholesterol was 214, body fat was twice what it is today.

* * *

I didn't try to lower my blood pressure, I didn't try to lower my cholesterol, I didn't try at all to lose weight or gain muscle. I made no effort to burn fat. These are simply the consequences of a highly anabolic metabolism. The Oasis breakthrough is making this opportunity available to everyone, not just a select group of biochemists." (Exhibit B).

- E. "It makes your bones stronger, the mind sharper, the mood higher." (Exhibit B).
- F. Endorser: "I would have to say I had been training seven weeks prior to getting on the Longevity Signal and had some good results prior to the Longevity Signal, but I just really start (sic) shredding up, I mean, practically overnight. In one week I lost 11 pounds which I was just amazed to see my entire physical being transformed right in front of the mirror." (Exhibit B).
- G. "Here's two breakthrough studies showing remarkable improvement in liver function. Now, why is that such a powerful anti-aging benefit? Because aging is associated with a marked reduction in liver function. A typical adult will lose more than 40 percent of their liver function by age 70 and that age-related defect contributes greatly to the degeneration of the entire body. Here's a study showing that you can reverse that." (Exhibit B).

11. Through the means described in Paragraph 10, respondents have represented, expressly or by implication, that LSF:

- A. Significantly reduces the risk of atherosclerosis.
- B. Cures arthritis.
- C. Lowers blood pressure.
- D. Significantly lowers cholesterol levels in the bloodstream.
- E. Strengthens bones.

- F. Reduces or eliminates the need for corrective eyewear.
- G. Promotes significant weight loss and muscle gain without dieting or exercise.
- H. Increases glucose tolerance.
- I. Increases Growth Hormone levels in the body, thereby causing positive clinical effects on health.
- J. Improves liver function.
- K. Prevents or reverses aging.
- L. Significantly increases life expectancy.

12. Through the means described in Paragraph 10, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 11, at the time the representations were made.

13. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 11, at the time the representations were made. Therefore, the representation set forth in Paragraph 12 was, and is, false or misleading.

14. Through the means described in Paragraph 10, respondents have represented, expressly or by implication, that scientific testing demonstrates that LSF:

- A. Significantly reduces the risk of atherosclerosis.
- B. Increases bone density, improves glucose tolerance, reduces body fat, increases muscle mass, and increases growth hormone levels in post-menopausal women.
- C. Improves liver function.
- D. Prevents or reverses aging.
- E. Significantly increases life expectancy.
- 15. In truth and in fact, scientific testing does not demonstrate that LSF:
 - A. Significantly reduces the risk of atherosclerosis.

- B. Increases bone density, improves glucose tolerance, reduces body fat, increases muscle mass, and increases growth hormone levels in post-menopausal women.
- C. Improves liver function.
- D. Prevents or reverses aging.
- E. Significantly increases life expectancy.

Therefore, the representations set forth in Paragraph 14 were, and are, false or misleading.

16. Respondents have provided advertisements and promotional materials to distributors for use in their marketing and sale of LSF and the ACI test, including but not necessarily limited to the attached Exhibits A and B.

17. Through the means described in Paragraph 16, respondents have provided means and instrumentalities to distributors of respondents' products in furtherance of the deceptive and misleading acts or practices alleged in Paragraphs 5 through 15.

18. 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 day of , 2000, has issued this complaint against respondents.

By the Commission.

Donald S. Clark Secretary

SEAL: