

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

*In re* GLOBAL CONCEPTS LIMITED,  
INC. d/b/a GLOBAL TV CONCEPTS,  
LTD, *et al.*

Civil Action No.12-23064

**CONSOLIDATED CLASS ACTION  
COMPLAINT**

**JURY TRIAL DEMANDED**

**NATURE OF THE ACTION**

1. Plaintiffs Cathie Colvin and Mark Gjolaj (“Plaintiffs”), individually and on behalf of all others similarly situated, allege the following upon personal knowledge as to their own acts and, as to all other allegations, upon information and belief, and upon investigation by counsel. Counsel conducted extensive pre-filing investigation that included consulting with multiple experts.

2. Plaintiffs bring this class action on behalf of themselves and a class of persons who purchased Riddex electronic pest control devices (“Devices” or “Riddex Devices”) from August 17, 2008, to the present (the “Class”).

3. Global Concepts, Limited Inc., d/b/a Global TV Concepts, LTD. (“Global” or “Defendants”) markets and sells the Devices. The Devices supposedly send out an electro-magnetic pulse through the electrical wiring of a structure that is repulsive to household pests, including, *inter alia*, cockroaches, mice, and spiders.

4. However, as detailed below, the Devices do not perform as advertised because they do not repel pests and are ineffective.

5. Plaintiffs were damaged, in an amount to be determined at trial, because they paid valuable consideration for Devices that failed to repel pests, in contradiction to their purported purpose.

6. Defendants' marketing and sales were designed to mislead and deceive consumers and therefore constitute violations of the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. § 501.201, *et seq.*, and Florida warranty law.

### **JURISDICTION AND VENUE**

7. The Court has jurisdiction over the state law claims pursuant to 28 U.S.C. § 1332(d), because there are at least 100 Class members in the proposed Class, the combined claims of proposed Class members exceed \$5,000,000, exclusive of interest and costs, and at least one Class member is a citizen of a state other than Defendants' state of citizenship.

8. Defendants purposefully avail themselves of the Florida consumer market, and Global is headquartered in Florida with all of its operations, employees and decisions regarding the advertising, marketing and packaging of the Devices occurring within and emanating from the State of Florida. The Devices are sold through various distribution channels throughout the United States.

9. Venue is proper pursuant to 28 U.S.C. § 1391(a) because a substantial part of the events giving rise to the claims asserted occurred in this District, and Plaintiffs dealt with Defendants, who are located in and/or do business in this District. Venue is proper pursuant to 28 U.S.C. § 1391(c) because Defendants conduct substantial business in this District, have sufficient minimum contacts with this District, and otherwise purposely avail themselves of the markets in this District, through the promotion, sale, and marketing of their products in and from this District.

**THE PARTIES**

10. Plaintiff Cathie Colvin resides in Marianna, Florida. After viewing television advertising regarding the Devices and viewing the Devices at a local CVS, Plaintiff purchased a Riddex Device on or about August 14, 2010 online through [www.amazon.com](http://www.amazon.com) for valuable consideration. Shortly after receiving her Riddex Device, Plaintiff commenced use. Despite many weeks of use, the Device proved to be ineffective in ridding Plaintiff's home of cockroaches—one of the pests her Riddex Device was expressly advertised to protect against.

11. Plaintiff Mark Gjolaj is a consumer residing in Rochester, Michigan. During the Class Period, Plaintiff sought to rid his home of various insect pests, including spiders. While shopping at Home Depot in 2010, Plaintiff noticed the Riddex Device. After reading the product label, and believing it to be true, Plaintiff purchased the Device for approximately \$17.00. Plaintiff plugged in the device in his bedroom. Despite using the Device for approximately two years, it had no effect on Plaintiff's insect problem.

12. Defendant Global Concepts, Limited d/b/a/ Global TV Concepts, Ltd. is a Florida corporation with its headquarters located at 676 S. Military Trail, Deerfield Beach, Florida 33442. Global markets and distributes numerous "as seen on TV" products, including Riddex Devices, at numerous retail stores in Florida and nationwide, including through national "brick and mortar" retailers, such as Target, Home Depot, CVS and Wal-Mart and online retailers, such as Amazon.com, and on its own websites [buyriddex.com](http://buyriddex.com) and [buyfromtv.com](http://buyfromtv.com). Upon information and belief, the deceptive marketing of Defendants' Riddex Devices was conceived at, and emanated from, Global's corporate headquarters located in Florida, and Defendants were responsible for the advertising at issue in this action.

13. Plaintiffs are not aware of the true names and capacities of Defendants sued as DOES 1-20, and therefore sue these Defendants by such fictitious names. Each fictitiously named Defendant is responsible in some manner for the occurrences alleged in this action. Plaintiffs will amend this Complaint to add the true names of the fictitiously named Defendants once they are discovered.

### **FACTUAL ALLEGATIONS**

#### **A. Global Advertises Riddex Devices As Effective Pest Control Products For Consumer Use Inside Homes And Offices**

14. Throughout the Class Period, Global has marketed and, according to its website, sold over three million Riddex Devices.<sup>1</sup> The Devices are distributed nationwide from Florida at numerous retailers, including “big box” retailers, such as Home Depot, Wal-Mart, CVS and online retailers, including at Global’s proprietary site buyriddexpulse.com.

15. The advertising on the packaging of Riddex Devices represents that the Devices use a “patented pulse technology” to “[t]urn your home’s wiring system into a pest repellent force field,” and that it is “for Rodents, Roaches, Ants, and Spiders.”

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<sup>1</sup> Source: <http://globaltvconcepts.com/public-relations.html>



16. The Riddex website, [buyriddexpulse.com](http://buyriddexpulse.com), claims that consumers can “save thousands of dollars on pest control” by turning their “house into a pest repellent force field.” The website also claims in writing:

- The Device uses “Patented Digital Pulse Technology;”
- The Device “Creates an Irritating Environment for Pests;”
- The Device “Chases Pests Out of Your House;”
- The Device “Prevents Future Pests From Entering;”
- The Device “IMMEDIATELY Starts Paying for Itself;”
- A “Single Unit Covers an Entire Level of a Typical Home;” and
- The Device “Works Behind Walls, Under Floors & Above Ceilings.”

RIDDEX PULSE, <https://www.buyriddexpulse.com> (last visited Jan. 22, 2013).

17. The Riddex Devices' website also has a video on the first page, which plays automatically when the page loads. In the video, a narrator repeats the representations on the Devices' packaging, touting the effectiveness of Riddex:

Introducing the new Riddex Pulse, a revolutionary simple plug-in device that sends digital pulses through the wiring in your walls. Designed to help drive rats, mice and roaches right out of your house. All you do is simply plug it in. A single Riddex Pulse is built to protect one level of a typical house, apartment, or condominium.

\* \* \*

Thanks to Riddex Pulse there may be no need to have strangers come into your home spraying poisons around your children foods and pets . . . . Tired of spending hundreds of dollars every year getting rid of rats or roaches, tired of having strangers coming into your home spraying poisons around your children, pets and food? Now you can say no to chemicals with the Riddex Pulse plug-in pest deterrent.

RIDDEX PULSE, <https://www.buyriddexpulse.com> (last visited Jan. 22, 2013).

18. The Riddex Devices' sole advertised function is as a pest repellent. The Devices do not purport to, and do not have, any other possible use. The only reason Plaintiffs purchased Riddex Devices was to control pests, and this is the only reason why any reasonable consumer would purchase Riddex Devices.

**B. Riddex Devices Do Not Work As Advertised**

19. Consistent with Plaintiffs' experience, the effectiveness of the Riddex Devices has been questioned by the Federal Trade Commission ("FTC") and the National Advertising Review Council's Electronic Retailing Self-Regulation Program ("ERSP").

20. In 2009, the ERSP examined the advertising claims made by a previous marketer and distributor of Riddex Devices, the Dynamic Response Group. Those claims were substantively identical to the representations concerning the effectiveness of the Riddex Devices

that are at issue in this action. The ERSP is a self-regulatory program under policy oversight of the National Advertising Review Council. The purpose of the ERSP program is to:

- Improve consumer confidence
- Demonstrate to the FTC the industry is committed to effective and meaningful self-regulation.
- Provide a quick and efficient process to review egregious advertising claims.

Electronic Retailing Association, <http://retailing.org/advocacy/self-regulation/ersp-frequently-asked-questions> (last visited Jan. 22, 2012) attached as Exhibit A.

21. In a 2009 case report, the ERSP analyzed the following performance claims for the Riddex Devices:

- “A revolutionary simple plug in device that sends digital pulses through the wiring in your walls driving bugs, roaches, rats, and mice right out of your house forever.”
- “Keep your home pest-free forever!”
- “Eliminate pesky rodents automatically”
- “Instantly turn your home into a pest repeller”
- “Riddex Plus uses patented Digital Pulse Technology, powered by a Freescale
- “Microprocessor, to create an irritating environment for pests inside your walls, chasing them away from your house while preventing future pests from entering. 100% safe and cruelty-free!”
- “A single Riddex Plus unit covers an entire level of a typical home, effectively driving away rodents and roaches.”

National Advertising Review Council Electronic Retailing Self-Regulation Program, Dynamic Response Group, *Riddex Plus Digital Pest Repeller*, Case #209 (Mar. 9, 2009) attached as Exhibit B.

22. ERSP also analyzed the marketer's claim that "Laboratory tests have proven that Riddex Pulse really works!" ERSP refers to this as the "establishment claim." As part of its analysis, ERSP reviewed two studies provided to it by Dynamic Response Group.

23. After reviewing the materials submitted by Dynamic Response Group, ERSP concluded that "the marketer's establishment claim and *any* claims regarding performance results for Riddex Pulse be modified and/or discontinued." (Emphasis added).

24. As part of its analysis, ERSP relied in part on a 2003 consent decree entered into between the FTC and Global Instruments, LTD ("Global Instruments"), which manufactured and sold the Riddex Device at that time.

25. As ERSP noted, the only testing offered to support the Riddex Devices' advertising claims was the same testing that the FTC found unpersuasive. In 2003, the FTC entered into a consent order with Global Instruments that resolved the FTC's accusations that Global Instruments made "numerous representations about Global's pest control products for which they lacked a reasonable basis." FTC, Analysis of Proposed Consent Order, *In the Matter of Global Instruments Ltd., and Charles Patterson*, File No. 022 3122 (2003) attached as Exhibit C. The representations at issue in the FTC matter are the same ones at issue in this action. Specifically, the FTC accused Global Instruments of having no basis for the following representations:

[Global Instruments] electromagnetic pest control products repel, drive away, or eliminate mice, rats, and cockroaches from homes and other buildings in two to four weeks and drive them away by sending a pulsating signal throughout or altering the field around the electrical wiring inside homes and other buildings; they act as an effective alternative to or eliminate the need for chemicals, pesticides, insecticides, exterminators, and pest control services;

[Global Instruments] combination electromagnetic/ultrasonic pest control devices effectively repel, control or eliminate mice, rats, cockroaches, rodents, insects, spiders, silverfish, and bats from homes and other buildings and upset nesting

sites of mice, rats, and cockroaches within walls, ceilings, and floors by using the products' pulse or electromagnetic technology through the household wiring;

[Global Instruments] ultrasonic pest control devices effectively repel, drive away, or eliminate mice, rats, bats, crickets, spiders and other insects from homes and eliminate the need for toxic chemicals, poisons or traps; and

[Global Instruments] pest control products are effective within a space of a given size (for example, 1000 sq. ft. or 2000 sq. ft.).

26. FTC, Analysis of Proposed Consent Order, *In the Matter of Global Instruments Ltd., and Charles Patterson*, File No. 022 3122 (2003), Ex. C. The consent order requires Global Instruments to conduct scientific studies to support its advertising. See FTC, Agreement Containing Consent Order, *In the Matter of Global Instruments Ltd., and Charles Patterson*, File No. 022 3122 (2003) <http://www.ftc.gov/os/2003/07/globalagree.pdf> attached as Exhibit D. Upon information and belief, this consent decree was entered.

27. As noted by ERSP, the laboratory tests proffered by Global Instruments to ERSP in support of the Riddex Device advertising were the same ones rejected by the FTC in 2003:

[I]n light of a 2003 order entered into by the FTC with the previous manufacturer of Riddex products and which included a review of the same testing being offered by the Dynamic Response Group to support performance claims for Riddex Plus in the advertising at issue, ERSP had no alternative but to determine that the marketer's establishment claim and any claims regarding performance results for Riddex Plus be modified and/or discontinued.

National Advertising Review Council Electronic Retailing Self-Regulation Program, Dynamic Response Group, *Riddex Plus Digital Pest Repeller*, Case #209 (Mar. 9, 2009), Ex. B.

28. Upon information and belief, no additional scientifically valid testing (if any) has been conducted since 2003 that supports Global's current advertising of the Riddex Devices, as set forth in paragraphs 15-17, above. The technology of the Riddex Devices has not changed over the years. The product remains as ineffective as ever.

29. Likewise, in a series for The New York Times entitled “Answers From the Urban Rodentologist,” renowned entomologist, Dr. Robert M. Corrigan, was asked the following question and provided the following response:

**Q. I have been wondering whether electronic devices that are billed as emitting rodent repelling “ultrasonic sound waves” have any value at all. Usually, such devices are advertised as effective against rats, mice AND cockroaches. They seem way too good (too easy) to be true, which is usually the first tip-off to a scam.**

**A. Published papers by credible research scientists say that ultrasonic machines do not have much utility against pests—rodents or cockroaches.**

**Perhaps future research may show that there are situations where sound can be used to deter rodents. It would be great if the manufacturers would channel some of [sic] profits from the various sound machines into quality research for more effective non-chemical approaches to rodent control.<sup>2</sup>**

30. Because the Riddex Devices do not perform the only function they are purported to perform—repelling pests—Plaintiffs and the Class are entitled to a full refund.

### **CLASS ALLEGATIONS**

31. Consumer complaints resound with anger and condemnation over the Riddex Devices’ complete lack of efficacy.

32. A sampling of complaints found at [www.complaintsboard.com](http://www.complaintsboard.com)<sup>3</sup> include the following:

**a. Fraud and scam**

**Not only does the product not work, the shipping charges are HIGH (\$17.90 for the two small boxes). Tried using Riddex in garages after Hurricane Ike. Anything that ran in for shelter was not bothered by this product. I think the roaches prefer it to the**

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<sup>2</sup> Source: <http://cityroom.blogs.nytimes.com/2007/11/30/answers-from-the-urban-rodentologist-part-3/>

<sup>3</sup> Consumer complaints regarding the Devices run abound. *See, e.g.*, [amazon.com](http://amazon.com) and [epinions.com](http://epinions.com), relating the same general sentiments.

**good old fashioned roach spray. Maybe it's an aphrodisiac for them.**

**I am currently, I'm in the process of returning the product. It appears I will need lots of luck from what I've read on this site. Do not believe the hype you hear and read in their advertisements. It is pure B.S.**

**b. Doesn't work**

**I bought this at bedroom bath and beyond for 19.99... thank God I didn't pay what most of you paid... I'd be a lot more pissed than you all. Anyways... had this "running" for about a month now and all I see is a buch of droppings from mice all around this damn thing...more than before...**

**I guess the whole idea of making a few million or more is...**

**Get a plactic box...slap some blinking lights on it and a logo...sell it for 19.99 and up through different media sources...and before you know it... The company gets rich!! man... I need to do that!...**

**Who wants to buy mine? I sell it for half price!**

**c. Dissatisfied**

**In April 2010 purchased \$300.00 of Riddex Plus with a 2 years warranty, within the last six month I have killed 6 mice and set out 4 aerosol cannisters to kill roaches, I have also brought 4 cans of Raid Ant and Roach Spray and use each night to kill the critters that come out during dinner or just sitting around watching TV. To my knowledge this represents false advertising from your company. I gave Riddex units to a friend of mine and it didn't work for her either. I will not purchase items of this sort any more from your company.**

**d. Fraud**

**I bought Riddex for a tenant to use for roaches. Not only did it not work, but she got a picture of two roaches sitting on top of the Riddex plug-in. Plus their guarantee is not true. I tried in vain to find a phone number or some way to contact them. I returned the units certified mail, requested the refund they guaranteed, and have proof that they received it back in a timely fashion. To no avail. I then found the corporate address and sent a letter requesting a refund. That did not work either. They refused to**

**respond to ANYTHING, except taking your money. I would be happy to email you the photo.**

33. Plaintiffs bring this action on their own behalf and as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure. Plaintiffs seek certification of the following Class:

All persons in the United States who have purchased Riddex Devices, from August 17, 2008, to the present (the "Class").

34. Plaintiffs and the members of the Class are so numerous that joinder of all members individually, in one action or otherwise, is impractical. Defendants' national marketing and advertising campaigns target consumers across the country and Defendants represent that they have sold over three million Riddex Devices. The precise number of Class members and their identities are unknown to Plaintiffs at this time, but will be determined through discovery. Upon information and belief, Plaintiffs believe that the Class numbers at least in the thousands. Class members may be notified of the pendency of this action by mail and/or publication.

35. This action involves questions of law and fact common to Plaintiffs and all members of the Class, resolution of which will resolve the issues for all Class members. These common issues include the following:

- (a) Whether Defendants Riddex Devices repel pests;
- (b) Whether Defendants violated Florida Deceptive and Unfair Trade Practices Act; and
- (c) Whether Plaintiffs and Class members sustained damages resulting from Defendants' conduct and, if so, the proper measure of damages, restitution, equitable, or other relief.

36. Plaintiffs understand and are willing to undertake the responsibilities of acting in a representative capacity on behalf of the proposed Class. Plaintiffs will fairly and adequately protect the interests of the Class and have no interests adverse to, or which directly conflict with, the interests of the other members of the Class.

37. Plaintiffs have engaged the services of counsel who are experienced in complex class litigation, who will adequately prosecute this action, and who will assert and protect the rights of and otherwise represent Plaintiffs and the absent Class members.

38. Plaintiffs' claims are typical of those of the absent Class members because Plaintiffs and the Class members each sustained damages arising from Defendants' wrongful conduct, as alleged more fully herein.

39. This action is brought under Rule 23 because Defendants have acted on grounds generally applicable to all members of the Class and/or because questions of law or fact common to Class members predominate over any questions affecting only individual members.

40. A class action is superior to other available methods for the fair and efficient adjudication of this controversy. Judicial determination of the common legal and factual issues essential to this case would be far more efficient and economical as a class action than piecemeal individual determinations.

41. Plaintiffs know of no difficulty that will be encountered in the management of this litigation that would preclude maintenance as a class action.

#### **COUNT I**

#### **Violation of the Fla. Deceptive and Unfair Trade Practices Act, Fla. Stat. § 501.201, et seq.**

42. Plaintiffs incorporate the above allegations of paragraphs 1-41 as though fully set forth herein.

43. Plaintiffs bring this claim individually and on behalf of a national Class of consumers who purchased Riddex Devices.

44. Plaintiffs and Class members are consumers within the meaning of Fla. Stat. § 501.203(7).

45. Defendants were engaged in “trade or commerce” within the meaning of Fla. Stat. § 501.203(8).

46. Defendants misrepresented that the Riddex Devices were effective in repelling rodents and insects, when they were not. This constitutes unfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices within the meaning of Fla. Stat. § 501.204, *et seq.*

47. Plaintiffs purchased the Riddex Device because of Defendants’ misrepresentations that the Devices “repels pests,” which is the sole or primary purpose why a reasonable consumer would purchase the product.

48. Because the Devices do not work as advertised, nor perform the basic function they are purported to perform, Defendants caused Plaintiffs’ injury, which can be measured by, and is equal to, the purchase price.

49. As a result of Defendants’ misrepresentations, Plaintiffs suffered actual damages within the meaning of Fla. Stat. § 501.211, because the product they purchased does not work.

**COUNT II**  
**Breach of Warranty**

50. Plaintiffs incorporate the above allegations of paragraphs 1-41 as though fully set forth herein.

51. Plaintiffs bring this claim individually and on behalf of a nationwide Class of consumers.

52. Plaintiffs, and each member of the Class, formed a contract with Defendants at the time Plaintiffs and the other Class members purchased the Riddex Devices. The terms of that contract include the promises and affirmations of fact made by Defendants on the Riddex Devices' packaging and through marketing and advertising, as described above. This marketing and advertising constitutes express warranties and became part of the basis of the bargain, and part of the standardized contract between Plaintiffs and the members of the Class on the one hand, and Defendants on the other hand.

53. Defendants' promises create express warranties that the Devices are effective at repelling certain rodents and insects.

54. All conditions precedent to Defendants' liability under this contract were performed by Plaintiffs and the Class when they purchased the Devices and used them as directed.

55. Despite the express warranties that the Devices repel certain rodents and insects, they are ineffective.

56. Plaintiffs relied on Defendants' express warranties that the Devices repel certain rodents and insects.

57. Defendants breached express warranties concerning the Devices and their efficacy because the Devices do not conform to Defendants' affirmations and promises that they repel pests, as described above.

58. As a result of Defendants' breach of express warranty, Plaintiffs and the Class were harmed in the amount of the purchase price of the Riddex Devices.

**COUNT III**  
**For Unjust Enrichment Against Defendants for Violations Alleged in Count I**

59. Plaintiffs incorporate the above allegations of paragraphs 1-41 as though fully set forth herein.

60. As a direct and proximate result of the misconduct set forth above, Defendants have been unjustly enriched.

61. Through deliberate misrepresentations or omissions made in connection with the advertising, marketing, promotion, and sale of the Riddex Devices during the Class Period, Defendants reaped benefits which resulted in their wrongful receipt of profits. Accordingly, Defendants will be unjustly enriched unless ordered to disgorge those profits for the benefit of Plaintiffs and the Class.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs, on behalf of themselves and all others similarly situated, pray for judgment against Defendants as follows:

- A. An order certifying the nationwide Class pursuant to Rule 23 of the Federal Rules of Civil Procedure and appointing Plaintiffs and their counsel to represent the Class members;
- B. An order declaring that the acts and practices of Defendants violate the Florida Deceptive and Unfair Trade Practices Act, Fla. Stat. § 501.201, *et seq.*, and Florida warranty law;
- C. For damages pursuant to Florida law in an amount to be determined at trial, including interest;
- D. For restitution of monies wrongfully obtained and/or disgorgement of ill-gotten revenues and/or profits;
- E. A permanent injunction enjoining Defendants from continuing to harm Plaintiffs and the members of the Class and continuing to violate Florida law;
- F. An order requiring Defendants to adopt and enforce a policy that requires appropriate removal of misleading claims, which complies with law;
- G. Reasonable attorneys' fees and the costs of the suit; and
- H. Such other relief as this Court may deem just and proper.

**DEMAND FOR JURY TRIAL**

Plaintiffs hereby demand trial of their claims by jury to the extent authorized by law.

DATED: January 25, 2013.

/s/ Brian W. Warwick

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 25<sup>th</sup> day of January, 2013, I electronically filed the foregoing with the Clerk of the Court using CM/ECF system and that a true and correct copy of the foregoing has been furnished via electronic mail to:

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/s/ Brian W. Warwick

\_\_\_\_\_  
Brian W. Warwick

# Exhibit A



Electronic Retailing Association

**WE PROTECT AND GROW MARKETING'S BEST SELLERS**

Site Search

Email Updates



## ERSP Frequently Asked Questions

### What is the purpose of the program?

To improve consumer confidence and to demonstrate to the FTC that ERA is committed to helping companies within the industry comply with existing regulations. We also strive to provide a quick and efficient review process to alert members, and in some cases the FTC, of noncompliant companies.

### What are the benefits to ERA members?

ERSP creates a level playing field for direct-to-consumer commerce industry professionals. It also increases industry credibility and pride, making sure consumers can shop with confidence.

### What is the Federal Trade Commission's opinion on ERA's Self-Regulation Program?

The FTC has reviewed our plan and generally is very favorable of it, as they share our frustration that a few bad players taint the direct response industry. The FTC has made it clear however, that our members should understand that this is not a "free pass." In other words, advertising that meets the standards of the review process may still be subject to challenge by the FTC and others. They may in some cases challenge things that our plan does not evaluate. For example, our review process will not extensively examine clinical trials, etc.

### How is the program structured?

We use the Advertising Self-Regulatory Council (ASRC) (formerly known as NARC) to administer the program. This division retains an attorney who reports directly to ASRC and not to ERA or to ERA's board of directors.

### Will all advertising campaigns be reviewed?

The majority of direct-to-consumer advertising campaigns reviewed are long and short form infomercials. The review, however, applies to all aspects of a marketing campaign, including radio and Internet marketing efforts. In addition, advertising on TV shopping channels is subject to review. ERSP also reviews pop-up advertising.

### How are advertising or programs referred?

There are a couple of ways that advertising can be referred: An ERA member may refer a campaign, a consumer or advocacy group may refer a campaign, or the program attorney may pick a campaign to refer. They may use the IMS or the Jordan Whitney reports to determine program popularity, etc. They will use fair and consistent criteria to decide which campaigns to review based on the numbers of consumers affected, the potential for consumer harm and how egregious the advertising appears to be. ERA does not refer advertising.

### How many campaigns will be reviewed in a month?

Approximately seven to 10 campaigns will be reviewed in a month. Remember, this review will not be as extensive as the NAD process and, therefore, more cases can be reviewed.

### Will the marketer know that their campaign is being reviewed?

Yes – the marketer will be notified.

### What happens next?

If the campaign being reviewed is found to be in compliance, no further action is taken and the marketer will be notified of the outcome. The marketer may not, however, use this decision in any of their marketing material. If more information is requested, the marketer has 15 days to provide

the information. The only information required would be supporting evidence that is directly relevant to the concerns. If the marketer fails to provide the information, the program administrator will assume that the program is noncompliant. The marketer may also request a meeting. All reviews will be completed within 60 days.

### **What happens if a campaign is noncompliant?**

The marketer will be notified of the reasons and given the opportunity to withdraw the campaign or make changes. If the marketer fails to comply, the program will be referred to the FTC or another appropriate regulatory body.

### **What will the FTC do with cases that are referred?**

The FTC has indicated that they will give these cases more priority over others.

### **What will be looked for when reviewing a program?**

- Substantiated evidence that supports claims made in the advertisement or program.
- Substantiation of claims: Does the substantiation address the claims being made?
- Does the substantiation meet general standards of competent and reliable scientific evidence?

### **Will the results of these reviews be made public?**

Yes, the results of noncompliant programs are included in ASRC reports, ASRC press releases, ERA's e-newsletter and on ERA's website.

### **Can an ERA member remain in the association if their campaign is found to be noncompliant?**

If the member takes corrective action that is satisfactory or pulls the program altogether, then that company can remain a member. If, however, they fail to adhere to the decision, they will be expelled from the membership.

### **What about the service providers? Will they be able to conduct business with companies that have noncompliant programs?**

ERA suppliers have the benefit of information that will assist them in making decisions regarding whether to do business with those companies that do not adhere to these decisions. ERA hopes that the membership chooses not to do business with violators.

# Exhibit B

Case #209 (3/9/09)

**DYNAMIC RESPONSE GROUP**  
*Riddex Plus Digital Pest Repeller*

**BASIS OF INQUIRY**

Direct Response advertising for the Riddex Plus Digital Pest Repeller ("Riddex"), marketed by the Dynamic Response Group, came to the attention of the National Advertising Review Council's Electronic Retailing Self-Regulation Program ("ERSP") pursuant to its internal monitoring activity. Based on ERSP's review of online (website and streaming video) advertising for Riddex, it was determined that the following representative core claims were being communicated in the advertising:

1. Performance Claims

- *"A revolutionary simple plug in device that sends digital pulses through the wiring in your walls driving bugs, roaches, rats, and mice right out of your house forever."*
- *"Keep your home pest-free forever!"*
- *"eliminate pesky rodents automatically"*
- *"Instantly turn your home into a pest repeller"*
- *"Riddex Plus uses patented Digital Pulse Technology, powered by a Freescale Microprocessor, to create an irritating environment for pests inside your walls, chasing them away from your house while preventing future pests from entering. 100% safe and cruelty-free!"*
- *"A single Riddex Plus unit covers an entire level of a typical home, effectively driving away rodents and roaches."*

2. Superiority Claims

- *"The number one selling pest control product..."*
- *"The best thing about Riddex is that it's the best product of its kind on the market. It saves me money and I don't have to pay the bug guy to come around and spray all those chemicals in my house."*

3. Establishment Claim

- *"Laboratory tests have proven that Riddex Plus really works!"*

#### 4. Consumer testimonial Claims

- *"I've been using Riddex Plus for 8 years now. When I was in Florida it got rid of those flying roaches. They just left the house. I got one for my daughter when she heard something running around between the walls at night. Two nights after she plugged it in, no more running. It really works!"  
[Martha R, Owensboro Kentucky]*
- *"It's the only repeller that truly works"*

#### **MARKETER'S POSITION**

During the course of the inquiry, Riddex indicated that it revised several of the claims at issue. More specifically, the marketer indicated to ERSP that the following performance claims have been modified or discontinued:

- *"The number one selling pest control product..."*
- *"A revolutionary simple plug in device that sends digital pulses through the wiring in your walls driving bugs, roaches, rats, and mice right out of your house forever."*
- *"Keep your home pest-free forever!"*
- *"eliminate pesky rodents automatically"*
- *"Riddex Plus uses patented Digital Pulse Technology, powered by a Freescale Microprocessor, to create an irritating environment for pests inside your walls, chasing them away from your house while preventing future pests from entering. 100% safe and cruelty-free!"*
- *"A single Riddex Plus unit covers an entire level of a typical home, effectively driving away rodents and roaches."*

With respect to its establishment claim and references to *"laboratory tests,"* Riddex submitted several studies of a device that the marketer maintained was identical to the currently marketed Riddex Plus device to ERSP for its review.

The first study was a comparative six week evaluation of trap mechanisms versus the electronic pest control device on rodent and roaches at 22 different field sites that was conducted by Global Instruments, LTD. Eleven sites were tested for roaches without the electronic devices and the remaining eleven sites were tested with the Riddex electronic device.

In the sites that did not have the electronic pest control device, rodents were determined to be present due to daily rodent tracks in the smoothed tracking powder, and the daily counts showing captured rodents. The marketer noted that at none of these sites were any newborn mice captured. These sites also

caught roaches but did not end the infestation of roaches or rodents. During the six week test period, there was very little improvement seen in the rodent and roach count.

Conversely, according to Riddex, with respect to the test sites that did have the electronic pest control devices, adult and infant rodents were captured at these sites and by the fourth to fifth week, the number of rodents and roaches in the test premises had decreased to almost zero. Accordingly, rodent and roach infestation in those sites using the electronic pest device came to an end the count clearly showed and, in some cases, the pests were removed within a 30 day clean-up period. Moreover, the marketer maintained that Riddex not only rids a dwelling of rodents and roaches but also substantially reduces the use of chemical pesticides.

A second pest control study (conducted exclusively on roaches) using an electronic pest control device was submitted by Riddex. The test site was located in Phoenix, AZ and consisted of four apartments in one building and two apartments in another building. The electronic pest control devices were installed and monitored at all of the test sites for a period of four weeks. The marketer explained to ERSP that the electronic field penetrates to the roach nesting areas in walls, under appliances and even behind structures like cabinets, forcing the roaches into the open where they are captured in glue boxes for counting and disposal. After the four week period, the electronic pest control devices were removed from each test site and further roach activity was recorded.

According to the test administrators, the study clearly showed that the electronic pest control device *"creates some stressing effects on German, American, Oriental and Turkish roaches."* The administrators were also very encouraged by the evident rapid reduction in the roach population in each testing site without using pesticides and noted that the electronic pest control device is not only effective in repelling roaches, but after removal, has residual effect approximately 30 days. It was concluded in the test report that Riddex *"will drive roaches from any wired, insulated structure and will prevent new roach nestings from developing."*

## ANALYSIS

Preliminarily, ERSP expressed its appreciation to the marketer for voluntarily making several changes to its advertising and agreed that the changes would be of significant value with respect to alleviating consumer confusion regarding the claims being disseminated in the advertising. Accordingly, ERSP has confirmed that the marketer has incorporated several changes to its website and streaming video, most noticeably removing claims of *"permanent pest elimination"* (i.e., *"Keep*

*your home pest-free forever!"; "... driving bugs, roaches, rats, and mice right out of your house forever.") and unqualified superiority claims (i.e., "The number one selling pest control product").*

Moreover, ERSP determined that several of the marketer's claims pertaining to the technology of the product were accurately presented to consumers by the marketer in a way that simply characterizes specific components of the product (i.e., "...Digital Pulse Technology, powered by a Freescale Microprocessor") and provides descriptive statements regarding product usage (i.e., "A revolutionary simple plug in device that sends digital pulses through the wiring in your walls ....").

Notwithstanding these actions taken by the Dynamic Response Group, ERSP called the marketer's attention to a 2003 consent order entered into between the FTC and Global Instruments, LTD (the manufacturer of the Riddex and Riddex Jr. electronic pest repeller - two previous models of the advertised product), which appears to prohibit a number of the claims that are currently being disseminated in the subject advertising for Riddex Plus. Considering that the testing submitted to ERSP in this inquiry predates the 2003 order, ERSP felt it imperative for the marketer to make sure that any current advertising for the Riddex Plus is not in violation of the terms of this order.

The marketer also agreed to revisit some of the substantive statements made by consumers in the testimonials used in the subject advertising. According to section §255.2 of the Federal Trade Commission ("FTC") Guides on Endorsements and Testimonials *"An advertisement employing an endorsement reflecting the experience of an individual or a group of consumers on a central or key attribute of the product or service will be interpreted as representing that the endorser's experience is representative of what consumers will generally achieve with the advertised product in actual, albeit variable, conditions of use. Therefore, unless the advertiser possesses and relies upon adequate substantiation for this representation, the advertisement should either clearly and conspicuously disclose what the generally expected performance would be in the depicted circumstances or clearly and conspicuously disclose the limited applicability of the endorser's experience to what consumers may generally expect to achieve."*

ERSP determined that testimonial claims which attest to rodents leaving the house *"two nights after"* Riddex Plus was plugged in were unsupported by the testing data. More specifically, in the *"Conclusion"* section of the Global Instruments LTD testing report it is stated that *"... in some infestation cases, pests are gone within 30 a thirty day clean up period as the record shows. However, over the years of testing and follow-up I have witnessed longer periods to clean out pest."* Thus, the testimonial claim appeared to contradict the data provided in the marketer's testing report and, in the absence of any disclosure language indicating that the

consumer experience was atypical, it was determined that the claim was not supported.

There was also no comparative testing data to support the testimonial claim that Riddex Plus is "*the only repeller that truly works*" and, as such, it was recommended that this consumer statement be discontinued.

### CONCLUSION

The marketer has voluntarily revised several claims in its advertising and provided sufficient information to support several of its general claims about the specifications of its product (i.e., "*...Digital Pulse Technology, powered by a Freescale Microprocessor*"; "*... sends digital pulses through the wiring in your walls.*"). The Dynamic Response Group has also modified comparative claims and testimonial statements regarding the efficacy of the Riddex Plus. However, in light of a 2003 order entered into by the FTC with the previous manufacturer of Riddex products and which included a review of the same testing being offered by the Dynamic Response Group to support performance claims for Riddex Plus in the advertising at issue, ERSP had no alternative but to determine that the marketer's establishment claim and any claims regarding performance results for Riddex Plus be modified and/or discontinued.

### MARKETER'S STATEMENT

"Dynamic Response Group, Inc. is sincerely grateful for the opportunity to participate in ERSP's advertising review process and the fair and balanced evaluation procedures employed by ERSP in its analysis. In its role as a marketer of Riddex Plus, Dynamic Response Group relies in great part on the manufacturer's claims regarding the use, operation and efficacy of their products and incorporates those claims into its marketing campaigns. Dynamic Response Group agreed with many of the comments made by ERSP and made several modifications to its advertising copy, as set forth above. In addition, ERSP's suggestions regarding the streaming video on Dynamic Response Group's website have now been incorporated. Finally, while Dynamic Response Group disagrees with the ERSP's conclusion that further modifications to, or discontinuance of certain remaining claims are called for, Dynamic Response Group does agree to carefully consider ERSP's recommendations in its advertising revisions as it continues to market Riddex Plus."

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# Exhibit C

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### Analysis of Proposed Consent Order to Aid Public Comment

#### *In the Matter of Global Instruments Ltd., and Charles Patterson*

File No. 022 3122

The Federal Trade Commission has accepted, subject to final approval, an agreement containing a consent order from Global Instruments Ltd. and Charles Patterson, individually and as an officer of the corporation.

The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

This matter concerns practices related to the advertising, offering for sale, sale, and distribution of various electromagnetic, ultrasonic, and combination electromagnetic and ultrasonic pest control devices. The Commission's proposed complaint alleges that proposed respondents violated section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, by making numerous representations about Global's pest control products for which they lacked a reasonable basis. Specifically, the complaint alleges that the following representations were unsubstantiated:

- Global's **electromagnetic** pest control products repel, drive away, or eliminate mice, rats, and cockroaches from homes and other buildings in two to four weeks and drive them away by sending a pulsating signal throughout or altering the field around the electrical wiring inside homes and other buildings; they act as an effective alternative to or eliminate the need for chemicals, pesticides, insecticides, exterminators, and pest control services;
- Global's **combination electromagnetic/ultrasonic** pest control devices effectively repel, control or eliminate mice, rats, cockroaches, rodents, insects, spiders, silverfish, and bats from homes and other buildings and upset nesting sites of mice, rats, and cockroaches within walls, ceilings, and floors by using the products' pulse or electromagnetic technology through the household wiring;
- Global's **ultrasonic** pest control devices effectively repel, drive away, or eliminate mice, rats, bats, crickets, spiders and other insects from homes and eliminate the need for toxic chemicals, poisons or traps; and
- Global's pest control products are effective within a space of a given size (for example, 1000 sq. ft. or 2000 sq. ft.).

The proposed consent order contains provisions designed to prevent proposed respondents from engaging in similar acts and practices in the future. Part I of the proposed order prohibits the following representations unless respondents possess competent and reliable scientific evidence that substantiates the representations:

- that any pest control product repels, controls, or eliminates, temporarily or indefinitely, mice, rats, cockroaches, or any other insects or animal pests and that it does so in an area of a certain size;
- that any pest control product is an effective alternative to or eliminates the need for chemicals, pesticides, insecticides, exterminators, or any other pest control product or service; and
- that any pest control product will alter the electromagnetic field, send a pulsating signal, or otherwise work inside the walls or through the wiring of homes or other buildings in a manner that effectively repels, controls, drives away, or eliminates mice, rats, cockroaches, or any other insects or animal pests.

Part II of the proposed order requires respondents to possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, for claims about the benefit, performance, or efficacy of any product.

Part III of the proposed order requires the respondents to maintain certain records for five years after the last date of dissemination of any representation covered by the order. These records include: (1) all advertisements and promotional materials containing the representation; (2) all materials relied upon in disseminating the representation; and (3) all evidence in respondents' possession or control that contradicts, qualifies, or calls into question the representation or the basis for it.

Part IV of the proposed order requires distribution of the order to current and future principals, officers, directors, and managers, and to current and future employees, agents, and representatives having responsibilities with respect to the subject matter of the order.

Part V of the proposed order requires that the Commission be notified of any change in the corporation that might affect compliance obligations under the order. Part VI of the proposed order requires that for a period of three years, respondent Charles Patterson will notify the Commission of the discontinuance of his current business or employment or of his affiliation with any new business or employment involving the marketing of any consumer product.

Part VII of the proposed order requires the respondents to file a compliance report with the Commission.

Part VIII of the proposed order states that, absent certain circumstances, the order will terminate twenty (20) years from the date it is issued.

The purpose of this analysis is to facilitate public comment on the proposed consent order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify their terms in any way.

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# Exhibit D



- c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondents that the law has been violated as alleged in the draft complaint, or that the facts as alleged in the draft complaint, other than the jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondents, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to proposed respondents' address as stated in this agreement by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of the order.

7. Proposed respondents have read the draft complaint and consent order. They understand that they may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of the order after it becomes final.

## ORDER

### DEFINITIONS

For purposes of this order, the following definitions shall apply:

1. "Competent and reliable scientific evidence" shall mean tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that have been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

2. "Pest-control product" shall mean any Pest-A-Cator, Pest-A-Cator Too!, Pest-A-Cator Plus, Pest-A-Cator Too! Plus, Riddex, Riddex Jr., PestVacator 800, or PestVacator 1500, or any other product designed, advertised, or intended to repel, control, drive away, or eliminate any insect or animal pest, including but not limited to, mice, rats, and cockroaches.
3. Unless otherwise specified, "respondents" shall mean Global Instruments Ltd., a corporation, its successors and assigns and its officers; Charles Patterson, individually and as an officer of the corporation; and each of the above's agents, representatives, and employees.
4. "Commerce" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

I.

IT IS ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any pest-control product, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that such pest-control product:

- A. repels, controls, drives away, or eliminates, temporarily or indefinitely, mice, rats, cockroaches, or any other insects or animal pests,
- B. repels, controls, drives away, or eliminates any mice, rats, cockroaches, or any other insects or animal pests in a desired area or an area of a certain size,
- C. is an effective alternative to or eliminates the need for chemicals, pesticides, insecticides, exterminators, or any other pest control product or service, or
- D. will alter the electromagnetic field, send a pulsating signal, or otherwise work inside the walls or through the wiring of homes, offices, schools, restaurants, hospitals, or other buildings in a manner that effectively repels, controls, or eliminates mice, rats, cockroaches or any other insects or animal pests,

unless, at the time of making such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

II.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any product, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the benefits, performance, or efficacy of such product, unless, at the time the representation is made, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

III.

IT IS FURTHER ORDERED that respondent Global Instruments Ltd., and its successors and assigns, and respondent Charles Patterson shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation; and
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

IV.

IT IS FURTHER ORDERED that respondent Global Instruments Ltd., and its successors and assigns, and respondent Charles Patterson shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities. Respondents shall retain the signed, dated statements acknowledging receipt of the order for a period of five (5) years and upon request make them available to the Federal Trade Commission for inspection and copying.

V.

IT IS FURTHER ORDERED that respondent Global Instruments Ltd., and its successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the

emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation about which respondent learns less than thirty (30) days prior to the date such action is to take place, respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

VI.

IT IS FURTHER ORDERED that respondent Charles Patterson, for a period of three (3) years after the date of issuance of this order, shall notify the Commission of the discontinuance of his current business or employment with Global Instruments Ltd., or of his affiliation with any new business or employment involving the marketing of any consumer product. The notice shall include the respondent's new business address and telephone number and a description of the nature of the business or employment and his duties and responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

VII.

IT IS FURTHER ORDERED that respondent Global Instruments Ltd., and its successors and assigns, and respondent Charles Patterson shall, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

VIII.

This order will terminate twenty (20) years from the date of its issuance, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this order that terminates in less than twenty (20) years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2003

GLOBAL INSTRUMENTS LTD.

By: \_\_\_\_\_

\_\_\_\_\_  
CHARLES PATTERSON, individually  
and as an officer of the corporation

\_\_\_\_\_  
STAN JOHNSTON  
Lewis, Rice & Fingersh, L.C.  
Attorney for respondents

\_\_\_\_\_  
CONSTANCE VECELLIO  
Counsel for the Federal Trade Commission

\_\_\_\_\_  
PATRICIA BAK  
Counsel for the Federal Trade Commission

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JANICE PODOLL FRANKLE  
Counsel for the Federal Trade Commission

APPROVED:

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Assistant Director  
Division of Enforcement

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ELAINE D. KOLISH  
Associate Director  
Division of Enforcement

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J. HOWARD BEALES, III  
Director  
Bureau of Consumer Protection