

FTC v. Rexall Sundown, Inc.

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FTC v. Rexall Sundown, Inc.

Case: FTC v. Rexall Sundown, Inc. (2000)

Subject Category: Federal agencies, FTC, Marketing

Agency Involved: Federal Trade Commission

Complaint Synopsis: Rexall Sundown produced and sold Cellasene, a product advertised as a "clinically researched formula" which eliminated cellulite without changes to diet or exercise. The recommended eight-week course of Cellasene sold for \$180 - \$240. The FDA brought suit, claiming that Rexall Sundown was engaging in deceptive or misleading business practices.

Consent Details: Rexall Sundown was enjoined from making claims that a product could reduce or eliminate cellulite unless it either had reliable scientific evidence, or the product was the subject of an application to the FDA. Additionally, Rexall Sundown agreed to pay \$12 million dollars in fines.

Practical Importance to Business of MLM/Direct Sales/Direct Selling/Network Marketing/Party Plan/Multilevel Marketing: Claims that products treat maladies or their symptoms must be substantiated by reliable scientific evidence.

FTC v. Rexall Sundown, Inc., Case No. 00-7013-CIV-MARTINEZ (S.D. Florida 2000): Rexall Sundown produced and sold Cellasene, a product advertised as a "clinically researched formula" which

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