



Cure or questionable?

Numerous ads for dietary supplements have drawn fire for making false, inflated or unsubstantiated health claims. Because the format lends itself to exaggeration, "there has never been a health infomercial that wasn't somehow misleading," says Stephen Barrett, M.D., founder of QuackWatch.org.



Ad or interview?

To grab your attention and make you feel you're hearing from an authority, infomercial makers often stage fake interview shows. Here, SeaVegg supplement salesman Scott Kennedy, billed as an "expert on marine nutrition," is interviewed by Donald Barrett (no relation to Stephen), the president of infomercial maker ITV Direct.



Actor or endorser?

Customers making testimonials are typically compensated for their interviews and often brag of results far exceeding what most people could achieve. This ad, for the Velform Sauna Belt, also featured other, obese consumers "morphing" into much thinner models with similar features.

Temptation

What the as-seen-on-TV industry doesn't want you to know about health infomercials. Read this before you buy. **By Sara Austin Photograph by Plamen Petkov**

In the heart of the Las Vegas strip, past the artificial volcano of The Mirage hotel, through the white tiger habitat and beyond the casino, is a jungle of another sort: Infomercial makers have gathered for their semi-annual meeting. A display of inventions seeking distributors showcases the kind of only-in-America, only-on-an-infomercial products that make the industry so easy to mock. There's Lace Brace, a vinyl cover to control flyaway shoelaces; Throne Aid press-on toilet seat handles; and Kool Dogz, a gadget that helps you whip up dog-friendly ice treats for your pet.

This is the ham and cheese of the industry. Its bread and butter is on the main exhibit floor. There, dozens of booths tout health, fitness and beauty aids in bottles, tubes and every imaginable delivery device: Provida Labs 5-Way Metabolic Fat Fighter. Reduce Fat-Fast pills from "international weight loss guru" Jorge Hané. ZipFizz: "Healthy Energy in a Tube." At the NuLabs booth, a sales representative is talking up Dr. Michael Pinkus CalMax, a powder said to have unique ionizing properties, which are said to target muscle and joint pain, insomnia, nervousness and more. What's in it? He can't say for sure. But he does claim the bottles are selling by the millions.

What no one at the trade show is bragging about is that in the last three years, the Federal Trade Commission, the watchdog for truth in advertising, has taken 22 law enforcement actions involving infomercials. The majority of cases involved health or weight-loss products, according to Richard Cleland, the FTC's assistant director of the division for advertising practices. With more than 300 half-hour infomercials airing about 200,000 times every month, regulators are busy. Profits from direct-response TV topped \$182 billion in 2005, an all-time high, according to the Electronic Retailing Association, a trade group in Washington, D.C. The typical TV shopper is a woman 18 to 34 years old, making between \$50,000 and \$99,000 a year, an ERA study found. In fact, you're probably one of them: In a recent Self.com poll, 94 percent of readers said they had purchased a product because of an infomercial. The sales pitches tap into your greatest anxieties, from flabby abs to cancer, and they do it in the privacy of your home. "It's all about fear, vanity and greed," says Sam Catanese, publisher and CEO of the Infomercial Monitoring Service in Philadelphia, the Niensens of the direct-response world.

FTC officials say the crackdown is needed because of a nearly two-decade history of dubious testimonials, deceptive formats, strong-arm sales techniques and exaggerated health

claims for products that the FDA hasn't tested or approved. "We're particularly concerned with whether health claims can be supported by reliable scientific evidence," Cleland says. Indeed, more than half of SELF's survey takers (54 percent) said they didn't feel they got their money's worth from their purchase. If you are buying a mop or a pasta maker and things go wrong, you're left a little poorer and perhaps a little wiser. But when the products in question are aimed at your health, the stakes include your well-being as well as your wallet. "Consumers need to be as skeptical as possible," says Thomas Haire, editor in chief of the trade magazine *Response* in Santa Ana, California. "Just because a commercial is cheap-looking doesn't mean someone hasn't put a lot of thought and money into it. Each word in an infomercial has been parsed 100 times over with one purpose: to get you to buy."

"I hate infomercials," Rich Decker says, expressing a sentiment not uncommon in the infomercial industry. "They're widgety and gimmicky, and the marketplace is deceptive." The towering personal trainer from Sag Harbor, New York, has come to a television studio in New Jersey to film an infomercial for his BodyWedge21, which looks like a triangular fitness ball. A foam version is popular in gyms and hotels, and Decker has spent more than \$100,000 to see if there is mass-market potential for a cheaper, inflatable model. But he's discovering that delivering the hard sell is not that easy.

The role of Hyperactive Host does not come naturally. "Bigger! Warmer! Smile!" the director cajoles, as Decker repeats his spiel again and again. It takes two and a half hours to get a take that's energetic enough—in other words, one completely over-the-top. Decker's spot will be intercut with a professional voice-over, model demonstrations and testimonials to make three short-form infomercials of 30, 60 and 120 seconds.

"It's cheesy, it's tacky—but it sells," says Decker's executive producer, Collette Liantonio, president of Concepts TV Productions in Boonton, New Jersey. If it's a hit, an infomercial can drive Internet sales and persuade chains such as Wal-Mart and Target to put a product on their shelves, translating to as many as 15 retail sales for every one made on TV. That's a big if, however. Only 1 out of 10 infomercials makes a profit, according to Haire. The ads all look and feel similar for a reason—the stakes are too high to wander from the winning formula.

That formula is simple: Find a problem and sell a solution. Infomercial makers are adept (*continued on page 178*)

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(continued from page 157) at creating a pressing problem where perhaps you did not realize one existed. (“With exercise balls you can lose your balance,” a narrator warns in the BodyWedge21 pitch, as an actor feigns losing his balance while working out.) The pitchmen also have a history of going overboard when making the case for their solutions. The FTC has outlined clearly the promises that will get a company in trouble, down to specific words: *breakthrough, miracle, cure, permanent weight loss*. But that hasn’t stopped wild claims from flooding the airwaves.

In 2004, the FTC filed suit against the maker of the diet supplement Cortislim because it had warned in TV ads that elevated levels of the stress hormone cortisol are the underlying cause of weight gain and boasted that the product, by lowering cortisol levels, could shrink belly fat and cause weight loss of 10 to 50 pounds. The formulator and marketers of Cortislim agreed to pay \$4.5 million in restitution to the FTC in 2005. There are now other cortisol reducers on the market, including Relacore, which is marketed as a feel-good pill that helps reduce belly fat.

The promise of flatter abs enticed Kathryn Rogers to buy Relacore last year. “The commercial seemed to show how it worked scientifically,” says the 26-year-old teacher’s aide in Sulphur Springs, Texas. After taking the pills for a little more than three weeks, Rogers says, “I didn’t notice any weight loss or difference in my belly, which is the main reason I got it.” Not only that, but her urine turned neon green, prompting Rogers to stop using the product. (A Relacore spokesperson contends that the link between cortisol and belly fat is well established and notes that if abdominal fat is not stress-induced, the product may not be appropriate.)

In another case, alternative medicine pitchman and self-styled consumer advocate Kevin Trudeau drew the FTC’s ire for boasting that Coral Calcium Supreme tablets could cure cancer, heart disease and multiple sclerosis, claims that the FTC says “go far beyond the existing scientific evidence.” In September 2004, the FTC announced that, as part of a \$2 million settlement, Trudeau agreed to be banned from ever again selling products on infomercials. But because of the First

Amendment, the commission cannot regulate opinions expressed in books. Within weeks, Trudeau was on the air selling *Natural Cures They Don’t Want You to Know About*, which he says has sold more than 1 million copies at \$14.95 apiece through infomercials alone.

Trudeau says he stopped selling products voluntarily in order to transform himself into an unbiased consumer advocate. “I have never been found guilty, and the FTC, no matter how hard they try, can’t get it into court,” he says. “No one has the guts to take a stand against the government... But throughout history, there were the little guys who stood up and decided they weren’t going to take it anymore. Gandhi, Rosa Parks—these are people who said enough is enough.” Shortly after the FTC announced the settlement, he turned the tables and sued the commission over what he calls “false advertising.” Trudeau charged the agency issued a misleading press release; the suit was dismissed. Trudeau may lack scientific training, but it’s hard to argue when a publicist calls him a marketing genius.

Concepts TV Productions, as is now standard practice with health- and diet-related products, has an attorney review scripts for compliance with FTC rules before filming. But other, less reputable operations do the math and realize it pays to say whatever will sell, then argue the case later. Referring to those companies, fitness entrepreneur Tony Little of Tampa Bay, Florida, widely respected in his industry thanks to his eight hit infomercials, explains: “If a company claims that a pill or liquid is going to help you lose weight, there’s no way in hell that’s true. But companies can make \$50 million saying that and then set aside \$10 million to pay fines.”

Here’s how the marketing wizards work their magic, minute by minute: A half-hour infomercial kicks off with a one-minute teaser, front-loading the most impressive testimonials, demonstrations and, in some cases, a celebrity endorsement. Celebrities are, of course, paid for these appearances (with fees sometimes topping \$25,000). But so is everyone else onscreen, including audience members whose “spontaneous” clapping and awestruck reaction

shots are spurred on by a crowd wrangler. Producers might also film more than a dozen takes of each testimonial, using the best clips for the ad. These Women Just Like You are often friends of the producers or actors recruited through talent agencies, Cleland says. One of the BodyWedge21 endorsers, part-time actor Bob Spillman, says he’s been paid to appear in about 100 infomercials and has never turned down an offer to endorse a product.

In the best-case scenario, as on the BodyWedge21 shoot, endorsers use the product and chat about it with the scriptwriter, who translates their reaction into a script. The worst-case scenarios, say industry insiders, involve fitness models posing as successful dieters, and “before” and “after” shots taken on the same day, courtesy of photo retouching. By law, if an infomercial uses such tactics, a marketer must disclose that the testimonials are paid for. “But the disclaimers are often not explicit enough,” Cleland says. “Infomercial makers use white type against a light background, or they insert them at a point where there are other distractions.”

After the teaser, the typical ad consists of three acts of seven minutes each. Because marketers need people to stop channel surfing and settle in, they often aim to confuse viewers by making these segments look like real programming. The FTC has taken a hard look at this practice, alleging that the format itself can be misleading. In its 2004 suit against the team behind an infomercial for Supreme Greens supplements, the commission called foul on an ad designed to look like an episode of a talk show called *ITV*. Donald Barrett, the president of infomercial maker *ITV Direct*, posed as an impartial host interviewing the pill’s developer, Alejandro Guerrero, who made unsubstantiated claims that the product could prevent, treat and cure cancer, and that it was safe even for pregnant women and children. Guerrero and his business partners settled with the FTC last year, but Barrett remains unrepentant. He countersued the FTC for violating his free-speech rights.

Longer segments such as fake interviews are (continued on page 180)

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(continued from page 178) broken up by the offer, two-minute ads-within-the-ad that provide ordering and pricing information. “That’s the most important part,” producer Liantonio explains. “The offer is what creates the impulse to make a buy.” The first cut of a new infomercial is given to media buyers, who purchase airtime in a few small television markets to gauge sales. If the test bombs, the producers will recut it again and again. If a \$60 product doesn’t sell at \$29.99 a month, marketers will switch to a soft offer—say, \$14.95 for a one-month trial. Extras, such as accessories, are thrown in to sweeten the deal. The new ad is tested, and the cycle continues until viewers bite. “Consumers should know that they could be responding to an infomercial’s seventh reedit,” Haire says. “You might have seen it a year ago and thought it was a piece of crap. Well, it’s still the same piece of crap—you just feel better about it now.”

Once an ad has spurred you to order, the marketing does not stop. “The goal is to get the consumer on the phone and looking at her credit card number,” explained A.J. Khubani, president and CEO of Telebrands, a producer of direct-response ads in Fairfield, New Jersey, during a panel discussion at the infomercial conference in Las Vegas last year. Once on the hook, customers are swept up in the “upsell”: Telemarketers follow a script that urges buyers to upgrade to a deluxe package or to add on accessories. Manufacturers may upsell their own products or someone else’s. Making the sale off-air means the FTC doesn’t hear claims that are made for a product’s efficacy.

Marketers can sign you up to automatically receive a fresh shipment of a product, such as a vitamin supplement, monthly. This type of arrangement, in which customers agree to have their credit card automatically billed until they opt out, is known in the trade as a continuity offer. ProActiv, the acne treatment that sells for up to \$59.95 a month, is a hugely successful continuity program. So, in a sense, is *Natural Cures*. The book repeatedly refers readers to Trudeau’s website to get more detailed information on specific cures.

Once online, readers run smack into an upsell. “The book doesn’t even come close to delivering the information they boast about in the commercial,” writes a reviewer at InfomercialRatings.com, a consumer-review website. “All it does is tell you about formulas that you can only obtain by becoming a member of his website, which costs you another \$9.95 per month. My advice is don’t waste your money!”

There’s nothing illegal about these marketing tools. But some customers report being signed up against their wishes, says InfomercialRatings.com editor Justin Leonard, of Carson City, Nevada, whose website has logged hundreds of such complaints. “If you say no, sometimes they will still enroll you,” he says. “And how are you going to prove that you didn’t say yes?” That’s what Loretha Harris, a business consultant in Dallas, says happened to her when she called to order the supplement Dual Action Cleanse in May. She ordered \$67.40 worth of pills but says she turned down the offer to get automatic shipments for \$59.90 a month. But when her credit card bill arrived, she found she had been charged a total of \$127.30. “It took me three months and about 20 phone calls to get my money back,” Harris, 50, says. “The call center said they didn’t deal with refunds, but when I called the corporate office, no one answered. It was truly ridiculous.” Klee Irwin, the formulator of Dual Action Cleanse, blames Harris’s problem on difficulties with an outside customer-service center and says the problem has been addressed.

In the infomercial business, it’s often “really hard to get your money back,” Leonard says, “and that’s intentional.” The clock may start ticking on a 30-day trial offer the moment you place your order, not when you receive the package, he warns. “I’ve seen companies that wait three weeks before shipping your order, so you have only a week to decide if you want it,” he says.

Infomercial insiders

realize they have an image problem. With the government crackdown generating a stream of bad publicity, the Electronic Retailing Association launched its own self-regulation program in August 2004,

urging consumers to turn in the bad seeds of the direct-response world. Since the program started, 102 infomercials were cited for potentially false advertising; nearly all involved health, weight loss or beauty products. In 93 percent of the cases, the companies agreed to revise the deceptive claims or take the ad off the air. The ERA referred the rest to the FTC. “If consumers discover that what they heard on TV is not what they got, they are less likely to shop that way again,” says Barbara Tulipane, CEO and president of the ERA. “It’s in our interest to make sure bad shows get off the air.”

Plenty of infomercials sell legitimate products. But how can viewers tell them from the scams? Look onscreen or at the product’s website for the seal of the Infomercial Testimonial Group, which independently tests products and solicits testimonials from people who aren’t family, friends or actors. Resist impulse buys, and research the lowest prices and quality of products at reputable nonprofit sources such as Consumer’s Union or ConsumerLabs.com, suggests Stephen Barrett, M.D., who operates QuackWatch.org. Beware misleading “consumer review” dot-coms that purport to give unbiased rankings of weight loss products; site owners may collect kickbacks from marketers.

Always pay with a credit card, rather than a check or debit card, in case you decide to challenge any charges, Leonard advises. Never sign up for any continuity program until you’ve sampled the product. Demand a return policy that will allow you to return the product for any reason and a warranty of between two and five years on fitness equipment, and clarify exactly what it covers, Little suggests. When you order, ask for the customer-service number that you’ll need to call if you want to make a return. And remember that when it comes to keeping healthy and losing weight, no supplements are necessary beyond, perhaps, a multi-vitamin. You will always get better advice from a doctor or dietitian than from a marketing guru. “Never believe anything told to you by anyone who is selling supplements,” Dr. Barrett cautions. “You shouldn’t get your education from infomercials.” ■