

From: [Curtis, Christopher](#)
To: sbinfo@quackwatch.org
Subject: Your Public Records Request
Date: Wednesday, October 21, 2020 10:49:00 AM
Attachments: [Lowensen CJ.pdf](#)

Dear Dr. Barrett,

I hope this note finds you well and navigating the current national health emergency safely.

Attached please find a consent judgment dated June 9, 1995 that is responsive to your request for information about a resolution involving Lowensen International.

Thank you for your interest in the Office of the Attorney General – and for your patience, while I located and reviewed old paper documents to identify the responsive record.

Be well and stay safe!

Best, Christopher

Christopher J. Curtis
Chief, Public Protection Division
Office of the Attorney General
State of Vermont
109 State Street
Montpelier, VT 05609
802-279-5496

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STATE OF VERMONT
 CHITTENDEN COUNTY, SS.

STATE OF VERMONT,)	
Plaintiff)	
)	
v.)	Chittenden Superior Court
)	Docket No. S1037-94CnC
LOWENSEN INTERNATIONAL,)	
INC., d/b/a NATIONAL)	
MEDICAL RESEARCH)	
INSTITUTE and LOUIS-)	
MARTIN PILOTE,)	
Defendants)	

CONSENT DECREE AND STIPULATION

Based upon the Stipulation of the parties to this action, as evidenced by their signatures below, it is hereby ORDERED, ADJUDGED, and DECREED as follows:

1. Defendant Lowensen International, Inc., is a business entity created and organized under the laws of Canada which maintains its principal offices at 111 Green Street, Suite 101, in Saint-Lambert, Quebec, Canada.
2. Defendant Louis-Martin Pilote is the president of Defendant Lowensen International, Inc.
3. In this action, Plaintiff State of Vermont alleges that for a period of time ending in December 1993, Defendants violated the Vermont Consumer Fraud Act, 9 V.S.A. §§2451 et seq., by engaging in unfair and deceptive practices in the course of marketing and selling diet programs and products to Vermonters and non-Vermonters under the name of the "National Medical Research Institute" through a mail drop arrangement in Swanton, Vermont.

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 ATTORNEY
 GENERAL
 Montpelier,
 Vermont 05609

4. Plaintiff further alleges that Defendants marketed and sold a diet supplement called "Panderyl," a cream called "P5B12 Cream," and a book on weight loss purportedly written by a Dr. Alan Lacey, M.D., entitled Doctor, How Come I Can't Lose Weight?, all using deceptive claims and offers, including misrepresentations that:

a. the "National Medical Research Institute" and Dr. Alan Lacey were located in Swanton, Vermont, whereas the Swanton address was merely a mail drop.

b. Defendants' diet program and the Panderyl tablets were developed by Dr. Alan Lacey, M.D., whereas Dr. Alan Lacey, M.D., was a fictitious name.

c. use of Defendants' diet program and the Panderyl tablets would bring about the loss of at least four pounds of weight per week, while the consumer could eat as much of whatever food he or she liked, whereas there was no factual substantiation for such a claim.

d. use of Defendants' diet program and the Panderyl tablets would bring about permanent weight loss, whereas there was no factual substantiation for such a claim.

e. certain specific individuals whose testimonials appeared in Defendants' promotional and materials benefitted in stated ways from using Defendants' diet program and the Panderyl tablets, whereas there was no factual substantiation that these results were actually achieved.

f. Defendants' diet program was developed and approved by physicians, whereas there was no factual substantiation for this claim.

g. Defendants would hold, and not cash, for one month and one week the checks of consumers who bought Defendants' diet program or products, as part of a special offer, and consumers would "only pay after you have lost weight," whereas in fact Defendants cashed consumers' checks before the end of a month and a week from receipt and did not refund payments to all consumers who did not lose weight.

5. Defendants deny that they have violated any law or regulation in connection with the diet promotion at issue in this case but have entered into this Consent Decree and Stipulation and have agreed to abide by its terms in order to terminate this litigation without further expense.

6. No later than June 30, 1995, Defendants shall pay the sum of U.S. \$50,000.00 (fifty thousand dollars) as civil penalties under the Consumer Fraud Act.

7. Any consumer who paid money to Defendants for a diet program or products and who sent, prior to the entry date of this Consent Decree and Stipulation, a written complaint or request for a refund to either Defendant, to any governmental agency, or to any private consumer advocacy organization (like the Better Business Bureau), shall be entitled to a full refund from Defendants. Within 10 (ten) days of receiving documentation of such a letter of complaint or request for

refund by a consumer, or (as in the case of letters of complaint or requests for refund already received by Defendants) within 10 (ten) days of the entry of this Consent Decree and Stipulation, whichever is later, Defendants shall send a check for a full refund by first-class mail to said consumer. By "full refund" is meant a refund equal to the amount of money received by Defendants from the consumer. Within 10 (ten) days of receiving a request from the Office of the Vermont Attorney General, Defendants shall furnish to said Office a list of all consumers, and their addresses, who are eligible for a refund under this paragraph, and the amounts, dates and recipients of all refunds paid to date. The parties shall cooperate in good faith to ensure that the goal of this paragraph--which is to provide refunds to consumers who paid money to Defendants and who sought a refund prior to the entry of this Consent Decree and Stipulation--is achieved.

8. In addition to the refunds described in the preceding paragraph, within 10 (ten) days of the entry of this Consent Decree and Stipulation, Defendants shall send a check for a full refund by first-class mail to all Vermont residents who paid money to either of them for Defendants' diet program or products, regardless of whether the Vermont resident sent a letter of complaint or request for refund to anyone. By "full refund" is meant a refund equal to the amount of money received by Defendants from the consumer. No consumer shall be entitled to more than one full refund as a result of the

terms of this and the preceding paragraphs. Within 10 (ten) days of receiving a request from the Office of the Vermont Attorney General, Defendants shall furnish to said Office a list of the amounts, dates and recipients of all refunds paid to date under the terms of this paragraph.

9. Defendant Pilote shall cooperate in allowing himself to be deposed in Vermont on the topics described in Appendix 1 to this Consent Decree and Stipulation no later than October 31, 1995. He shall bring to the deposition all documents related to those topics, shall testify truthfully at the deposition, and shall review and sign the transcript of the deposition once it is prepared.

10. Defendants, and any entity controlled in whole or in part by either of them, shall be permanently enjoined from engaging, directly or indirectly, in any business in, into, or from the State of Vermont involving mail or telephone solicitations to consumers.

11. This Consent Decree and Stipulation shall be binding upon Defendants and their successors and assigns.

Dated at Burlington, Vermont, this 9th day of
June, 1995.


Superior Judge Linda Levitt

STIPULATION

The parties to this action hereby stipulate and agree to the entry of the Consent Decree set out above.

STATE OF VERMONT

JEFFREY L. AMESTOY
ATTORNEY GENERAL

6/1/95
Date

by: *Elliot Burg*
Elliot Burg
Assistant Attorney General

LOWENSEN INTERNATIONAL, INC.

6/1/95
Date

by: *[Signature]*
Duly Authorized Agent

6/1/95
Date

[Signature]
LOUIS-MARTIN PILOTE

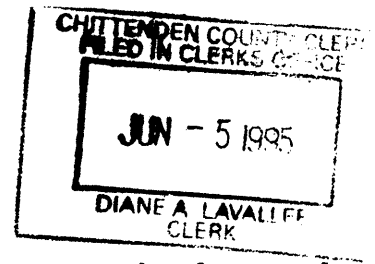
APPROVED AS TO FORM:

Elliot Burg
Attorney for Plaintiff
State of Vermont

[Signature]
Michael R. Koblenz, Esq.
Mound, Cotton & Wollan
Attorneys for Defendants



Office of the
ATTORNEY
GENERAL
Montpelier,
Vermont 05609



Appendix 1

- Mr. Pilote's educational and employment background, including his prior involvement, if any, in the weight-loss industry.
- Where Mr. Pilote got the idea for the program, whom he discussed it with, and the steps taken to implement the program.
- The nature, timing and outcome of meetings with Manon Fernet, Dennis Jones, and any others involved in discussions about the program, and any prior involvement Mr. Pilote had had with any of these individuals.
- Who saw the Dr. Lacey materials, approved them, commented on them, and when.
- The connection, if any, between the program and other weight-loss promoters or their companies, including Louis-Luc Roy, Groupe R.R. International, Columbus Institute, Pergamon, and Direct Marketing Concepts.
- Identification of others with information on the program, including former employees of Lowensen.
- Identification of documents relating to the program, including the circumstances and timing of the destruction of any such documents by Mr. Pilote or others.
- The origin of the various claims made in the promotional and program materials concerning the Dr. Lacey method, including the claims quoted in the State of Vermont's Interrogatory no. 24, and in paragraphs 21-23, 25-26, and 34-37 of the Consumer Fraud Complaint.
- The existence or non-existence of any factual support for those claims.
- Any efforts made, before or after the Postal Service or the State of Vermont became involved, to justify claims made concerning the Dr. Lacey method.
- The amount of weight actually lost by participants in the program, if known.
- The source of consumer "testimonials" contained in the promotional and program materials.

- The names and addresses of all consumers who paid money to Lowensen or Mr. Pilote in connection with the program, and the amount they paid.
- The role of all persons or entities that aided in the implementation of the program, including list brokers, product manufacturers, shippers, advertisers, etc.
- The origin and details of the financial information produced concerning the program.
- An explanation, if necessary, of Mr. Pilote's tax returns and the amount of any income he received from the Dr. Lacey promotion.