



PAAB Member's ALERT

Penalties for misleading allergy treatment

JUNE 2011

The Federal Court has imposed penalties totalling \$185,000 against two companies and two individuals for making false claims and misleading consumers about their ability to test for and treat allergies.

The findings conclude proceedings brought by the ACCC against::

- Newlife Publishing and Marketing Pty Ltd
- Renew You Centre for Wellbeing and Longevity Pty Ltd
- Bojan Schianetz
- Dzung Kieu Price.

Each respondent claimed they could diagnose, treat and/or cure allergies using the 'BioFast allergy elimination program'. This program involves identifying allergens by testing muscle resistance to pressure applied while holding a vial of the suspected allergen. The purported treatment then involves the application of pressure or needles to points on the customer's body, while the customer is exposed to the potential allergen. Other techniques including 'detoxification salts' and 'sublingual desensitising drops' are also used.

The program's proponents believe this process clears 'energy blockages' caused by the allergen, thereby desensitising the customer to the allergen.

The Court declared by consent that the companies and individuals engaged in false, misleading and deceptive conduct by representing that:

- that they could test for, identify and treat a person's allergies or allergic reactions, **when they could not**
- that they could cure or eliminate all or virtually all allergies, or allergic reactions, **when they could not**
- That they could instruct parents and carers of children to test for, identify, treat and cure or eliminate allergies for a child, **when they could not**
- that after receiving treatment it would then be safe or low risk for a person to have contact with the substance or allergen to which they had previously suffered adverse reaction, **when none of their treatments could achieve this result.**

There was concern by the ACCC that the businesses were supposedly teaching parents how to treat their own children, and told them that following 'treatment' their children could then be safely exposed to an allergen.

Each of the respondents is restrained by an undertaking to the Court from engaging in similar conduct for a period of three years. The Court also ordered the respondents to display corrective notices on their websites, in their clinics, in various printed magazines, and in a first for the ACCC, to place a corrective video on YouTube and other popular video-streaming websites.

The respondents must also send letters or emails to current and former customers explaining that they engaged in misleading and deceptive conduct, apologising for that conduct and outlining the remedies obtained by the ACCC.

The two companies were ordered to pay a combined total of \$125,000 in pecuniary penalties, and each individual respondent must pay \$30,000. Each of the respondents is also required to pay a contribution to the ACCC's costs of the proceeding.

In another hearing the Federal Court found three companies and two individuals made false claims and misled consumers about their ability to test for and treat allergies.

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The findings conclude proceedings brought by the ACCC against::

- Willesee Healthcare Pty Ltd
- Sophie Georgonikas
- Theoliza Pty Ltd
- Maria Colosimo, and
- Theta Line Pty Ltd.

Each respondent claimed they could diagnose, treat and/or cure allergies using "Nambudripad's allergy elimination technique" (NAET) or similar techniques. These techniques involve identifying allergens by testing the resistance of the customer's arm muscle to pressure applied while holding a vial of the suspected allergen. The purported treatment then involves the application of pressure or needles to points on the customer's body, while the customer is exposed to the potential allergen.

Its proponents believe this process clears energy blockages which have been caused by the allergen, thereby desensitising the customer to the allergen.

The Court declared the companies and individuals engaged in false, misleading and deceptive conduct by representing one or more of the following:

- that they could test for and identify an allergen or a substance to which a person is allergic, **when they could not**
- that they could cure or eliminate all or virtually all allergies, or allergic reactions, **when they could not**
- that they could successfully treat a person's allergies or allergic reactions, **when they could not**
- that after receiving treatment it would then be safe or low risk for a person to have contact with the substance or allergen to which they had previously suffered adverse reaction, **when none of their treatments could achieve this result.**

Each of the respondents is restrained from engaging in similar conduct for a period of three years, either by injunction or an undertaking to the Court.

The Court ordered the respondents to display corrective notices on their websites and in their clinics. The respondents must also send letters or emails to current and former customers explaining that they engaged in misleading and deceptive conduct, apologising for that conduct and outlining the remedies obtained by the ACCC. Each respondent is also required to pay a contribution to the ACCC's costs of the proceeding.