




NEWS RELEASE

GREGORY D. TOTTEN
District Attorney

For Immediate Release

Approved By: JLM 

Contact: Karen L. Wold
Senior Deputy District Attorney

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Telephone: (805) 662-1750

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VENTURA, California – District Attorney Gregory D. Totten announced today that a civil judgment has been issued against Body Shaping Gyms, Inc. dba Gold’s Gym Oxnard, Noel Thompson and Body Shaping Investments LLC (collectively “Gold’s Gym”). Judge Vincent O’Neill ordered Gold’s Gym to pay \$6,000,000 in civil penalties and restitution and issued a permanent injunction prohibiting the defendants from violating laws related to health studio services. The investigation was initiated following numerous complaints to the Tri-Counties Better Business Bureau, the Ventura County Star, and the District Attorney’s Consumer Mediation Unit.

The civil complaint alleged that since 2009, the Gold’s Gym franchise in Oxnard, which was owned and operated by Noel Thompson, engaged in ongoing illegal and harmful business practices in violation of consumer protection statutes including: collecting monies on illegal and void contracts; charging members’ credit cards without their authorization; refusing to cancel contracts; automatically renewing contracts illegally; refusing to allow members to cancel their memberships after being deployed overseas; charging members fees in excess of their contracts; illegally referring members to collections; and other violations of law.

All members or former gym members who believe they have suffered a loss due to the unlawful or unfair business practices of defendants between October 23, 2009, and October 23, 2013, are requested to submit a claim and supporting documentation to the District Attorney’s Office no later than December 14, 2014. Claim forms may be obtained by calling (805) 662-1750 or e-mailing da.criminal@ventura.org. Additionally, claim forms will be available at www.vcdistrictattorney.com.

On December 16, 2013, Defendant Body Shaping Gyms, Inc. filed for bankruptcy pursuant to Chapter 11. Near that time, Defendant Body Shaping Gyms, Inc. lost its right to the Gold’s Gym franchise and now does business as “Powerhouse Gyms” under a trustee appointed by the United States Bankruptcy Court, who has assumed control over the assets and business operations.