# IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF GEORGIA ATLANTA DIVISION

FEDERAL TRADE COMMISSION and STATE OF GEORGIA

Plaintiffs,

v.

STEVEN D. PEYROUX, individually and as an owner and officer of REGENERATIVE MEDICINE INSTITUTE OF AMERICA, LLC, also d/b/a Stem Cell Institute of America, LLC, PHYSICIANS BUSINESS SOLUTIONS, LLC, and SUPERIOR HEALTHCARE, LLC,

BRENT J. DETELICH, individually and as an officer of REGENERATIVE MEDICINE INSTITUTE OF AMERICA, LLC, also d/b/a Stem Cell Institute of America, LLC,

REGENERATIVE MEDICINE INSTITUTE OF AMERICA, LLC, a limited liability company, also d/b/a Stem Cell Institute of America, LLC,

PHYSICIANS BUSINESS SOLUTIONS, LLC, a limited liability company, and

SUPERIOR HEALTHCARE, LLC, a limited liability company,

Defendants.

CIVIL ACTION NO. 1:21-cv-3329-AT

# ORDER GRANTING INJUNCTIVE RELIEF

In an 82-page Opinion and Order issued on March 11, 2024, the Court granted summary judgment to Plaintiffs, the Federal Trade Commission and the State of Georgia. (Summary Judgment Order, Doc. 132). In its Opinion, the Court found that both the FTC and the State of Georgia are entitled to permanent injunctive relief. (*Id.* at 60-63). On June 17, 2025, the Court held a hearing to address the appropriate scope of relief. The parties were also permitted to file posthearing evidence. Having considered the parties arguments and evidence in light of the relevant legal authority, the Court issues this Order, granting Plaintiffs appropriate injunctive relief. The Court has issued a separate order granting monetary relief to the State of Georgia and on behalf of affected citizens.

# I. THE PARTIES

Plaintiffs are the Federal Trade Commission ("FTC") and the State of Georgia. The FTC enforces the FTC Act, which prohibits unfair or deceptive acts or practices in or affecting commerce — including false advertising for drugs or services. 15 U.S.C. §§ 45(a) and 52. The State of Georgia, through its Attorney General, enforces the Georgia Fair Business Practices Act ("GFPBA"), which also prohibits unfair or deceptive acts or practices in or affecting commerce. O.C.G.A. §§ 10-1-390—10-1-408.

There are five Defendants: three Corporate Defendants and two Individual Defendants, as shown below:

Corporate Defendants	Individual Defendants
• Superior Healthcare, LLC ("Superior")	Steven Peyroux
	Brent Detelich
• Physicians Business Solutions, LLC ("Physicians Business")	
Regenerative Medicine Institute of	
America, LLC d/b/a Stem Cell	
Institute of America LLC ("SCIA")	

Two of the Corporate Defendants (Superior and SCIA) have been through bankruptcy proceedings. (Summary Judgment Order, Doc. 132 at 9). Physicians Business remains operational. Individual Defendants Peyroux and Detelich currently hold interests in several other healthcare companies. (*Id.*)

# II. RELEVANT FINDINGS

- 1. This Court has jurisdiction over the subject matter of this case pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and has jurisdiction over all the parties hereto.
- 2. This Court has supplemental jurisdiction over the State of Georgia's claims for violations of the GFBPA under 28 U.S.C. § 1367(a) because those claims are so related to the claims brought under federal law that they form part of the same case or controversy, and because those claims arise out of the same transactions or occurrences as the claims brought under 15 U.S.C. §§ 45(a), 52, and 53(b).

3

<sup>&</sup>lt;sup>1</sup> The Summary Judgment Order contains significantly more detail about the Defendants and the nature of their businesses.

- 3. Venue in this district is proper under 28 U.S.C. § 1391(b)(1), (b)(2), (b)(3), (c)(1), (c)(2), and (d), and 15 U.S.C. § 53(b).
- 4. At all times relevant to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44 and O.C.G.A. § 10-1-392(a)(28).
- 5. This is an action instituted by the FTC and the State of Georgia. The Complaint charges that Defendants engaged in deceptive acts or practices in violation of Sections 5(a) and 12 of the FTC Act, 15 U.S.C. §§ 45(a), 52, and O.C.G.A. §§ 393(a), 393(b)(5), and 393.5(b) in the advertising, marketing, and sale of stem cell therapy. The Complaint seeks permanent injunctive relief, restitution, civil penalties, and other equitable relief for the Defendants' deceptive and unfair acts or practices as alleged.

# As the Court found in its Summary Judgment Order (Doc. 132):

- 6. Defendants violated the FTC Act and the GFBPA by making false or unsubstantiated claims that stem cell therapy (Counts I and IV):
  - a. Cures, treats, or mitigates various orthopedic conditions, including osteoarthritis, arthritis, neuropathy, plantar fasciitis, joint pain, and pain resulting from injuries or aging; and
  - b. Is comparable or superior to surgery, steroid injections, and painkillers in curing, treating, or mitigating various orthopedic conditions, including osteoarthritis, arthritis, neuropathy, plantar fasciitis, joint pain, and pain resulting from injuries or aging.

- 7. Defendants violated the FTC Act by falsely claiming that Defendant Physicians Business' regenerative medicine compliance programs were FTC-and FDA-approved (Count II).
- 8. Defendants violated the FTC Act by providing their clients with advertising, marketing, and promotional materials and training containing false and unsubstantiated representations (Count III).
- 9. Defendants violated the GFBPA by disseminating false or misleading representations through the use of a computer or computer network, and while engaging in these acts or practices, Defendants sold their products to a large number of elderly and disabled consumers (Count V).
- 10. Defendants SCIA, Superior, and Physicians Business (collectively, the "Corporate Defendants") acted and operated as a common enterprise and can thus be held liable for each other's actions.
- 11. At all times material to the Complaint, both Defendants Peyroux and Detelich (1) had the authority to control the Corporate Defendants' acts and (2) directly participated in the unlawful acts and practices set forth above. In addition, both Defendants Peyroux and Detelich had actual knowledge of the acts and practices set forth above, as they were the force behind the entire operation and were fully immersed in the Corporate Defendants' advertising campaigns.
- 12. Defendants' comprehensive campaign to develop and disseminate misleading advertisements about the efficacy and approval of stem cell therapy

was the main thrust of Defendants' businesses, and Defendants profited massively from these efforts.

- 13. As Defendant Physicians Business remains operational, and Defendants Peyroux and Detelich currently hold interests in many other healthcare companies, the likelihood that their occupation will present opportunities for future violations is high.
- 14. The FTC has the authority under the FTC Act to seek permanent injunctive relief. 15 U.S.C. § 53(b).
- 15. The State of Georgia has authority under the GFBPA to seek permanent injunctive relief. O.C.G.A. § 10-1-397(b)(2).
- 16. Defendants are likely to continue to engage in the practices alleged in the Complaint or otherwise violate Sections 5 and 12 of the FTC Act, and O.C.G.A. §§ 393(a), 393(b)(5), and 393.5(b), unless they are prohibited from doing so by order of the Court.
- 17. The danger of future violations by Defendants justifies the issuance of permanent injunctive relief, including banning Defendants from advertising, marketing, or selling stem cell therapy and other regenerative medicine treatments.
- 18. Entry of this Order is in the public interest.

#### III. DEFINITIONS

For the purposes of this Order, the following definitions apply:

- "Corporate Defendants" means Regenerative Medicine Institute of America, LLC d/b/a Stem Cell Institute of America, LLC, Physicians Business Solutions, LLC, Superior Healthcare, LLC, and their successors and assigns.
- "Defendants" means all of the Individual Defendants and the Corporate Defendants, individually, collectively, or in any combination.
- "Individual Defendants" means Steven D. Peyroux and Brent J. Detelich.
- "Regenerative Medicine Treatment" means any product, therapy or treatment that either: (1) falls under the definition of Stem Cell Therapy; or (2) involves or is claimed to involve the use of (i) cryopreserved or dehydrated amniotic fluid, tissues, or allografts; (ii) cryopreserved or dehydrated umbilical cord, Wharton's Jelly, or placental tissues or allografts; or (iii) exosomes.
- "Stem Cell Therapy" means any product, therapy, or treatment that involves or is claimed to involve the use of stem cells derived from amniotic tissue or fluid, the placenta, Wharton's jelly, umbilical cord blood, adipose tissue, or bone marrow.<sup>2</sup>

## IV. ORDERS

A. BAN ON THE ADVERTISING, MARKETING, PROMOTION, OFFERING FOR SALE, OR SALE OF REGENERATIVE MEDICINE TREATMENT

IT IS ORDERED that Defendants, whether acting directly or through an intermediary — including by consulting, planning, participating, facilitating, or

<sup>2</sup> The Court acknowledges that Plaintiffs requested that the Court include a definition for "Covered Products" that included dietary supplements, food, drugs, and devices and that Plaintiffs requested that Defendants be enjoined from making certain representations related to these "Covered Products." This case, however, did not involve any dietary supplements, food, or devices — it involved Regenerative Medicine Treatment. The Court finds that it would be too broad to bar Defendants from making health-related representations for products not at issue in this litigation.

7

advising — are permanently restrained and enjoined from the: (1) advertising, (2) marketing, (3) promotion, (4) offering for sale, or (5) sale of any Regenerative Medicine Treatment, through any means, including through the use of a computer or computer network.

# B. PROHIBITED MISREPRESENTATIONS: "FTC-APPROVED" AND "FDA-APPROVED" CLAIMS

IT IS FURTHER ORDERED that Defendants are permanently restrained and enjoined from misrepresenting (or assisting others in misrepresenting), either expressly or by implication, that any Defendant's regenerative medicine compliance training program is approved by the FTC or the Food and Drug Administration ("FDA").

# C. MEANS AND INSTRUMENTALITIES

IT IS FURTHERED ORDERED that Defendants are hereby permanently restrained and enjoined from providing the means and instrumentalities<sup>3</sup> with which to make, expressly or by implication, any false or misleading statement of material fact about Regenerative Medicine Treatment, including, but not limited to, the representations prohibited in Sections IV.A. and IV.B above.

# D. CUSTOMER INFORMATION

**IT IS FURTHER ORDERED** that Defendants, Defendants' officers, agents, and employees, and attorneys — and all other persons in active concert or

8

<sup>&</sup>lt;sup>3</sup> For purposes of this Section, "means and instrumentalities" shall mean any information, including, but not limited to, any advertising, labeling, promotional, or purported substantiation materials, for use by healthcare clinics or other entities or individuals offering any Regenerative Medicine Treatment.

participation with any of them, who receive actual notice of this Order — <u>are</u> <u>prohibited from</u> directly or indirectly:

- a. Failing to provide sufficient customer information to enable the State of Georgia to efficiently administer restitution. If a representative of the State of Georgia requests in writing any information related to restitution, Defendants must provide it, in the form prescribed by the State of Georgia, within 21 days;
- b. Disclosing, using, or benefitting from customer information including the name, address, telephone number, email address, social security number, other identifying information, or any data that enables access to a customer's account (including a credit card, bank account, or other financial account)
   that any Defendant obtained prior to entry of this Order in connection with the offering of any Regenerative Medicine Treatment; and
- c. Failing to destroy such customer information in all forms in their possession, custody, or control within 30 days after receipt of written direction to do so from representatives of the State of Georgia.

The relief provided in this section is subject to the caveat that customer information need not be disposed of, and may be disclosed, to the extent requested by a government agency or required by law, regulation, or court order.

#### E. NOTICE TO SUPERIOR CUSTOMERS

IT IS FURTHER ORDERED that, within 30 days of the entry of this Order, Defendant Peyroux shall send by first-class mail an exact copy of the notice

attached as **Attachment A**, showing the date of the mailing, to any consumer who, as of the date of entry of this Order:

- a. Was a patient of Defendant Superior, and received Regenerative Medicine

  Treatment; or
- b. Expressed an interest in scheduling a Regenerative Medicine Treatment by contacting Superior Healthcare, LLC in writing, by voicemail, by signing up for a seminar, or other identifiable means for possible Regenerative Medicine Treatment. Defendants shall make a good-faith effort to identify these consumers.

The notice required by this Section shall not include any other document or enclosure.

# F. NOTICE TO SCIA AND PHYSICIAN'S BUSINESS CLIENTS

IT IS FURTHER ORDERED that, within 30 days of the entry of this Order, Defendants Physicians Business, Peyroux, and Detelich shall send by first-class mail an exact copy of the notice attached as **Attachment B**, showing the date of the mailing, to any entity or individual who, as of the date of entry of this Order, is or has been a client of Defendants Physicians Business or SCIA. The notice required by this Section shall not include any other document or enclosure.

### G. NOTICE TO SUPERIOR AFFILIATES

IT IS FURTHER ORDERED that, within 30 days of the entry of this Order, Defendant Peyroux shall send by first-class mail an exact copy of the notice attached as Attachment C, showing the date of the mailing, to any entity or

individual who, as of the date of entry of this Order, is or has contracted or otherwise agreed with Defendant Superior to administer Regenerative Medicine Treatment in exchange for any compensation or fee.

#### H. ORDER ACKNOWLEDGMENTS

**IT IS FURTHER ORDERED** that Defendants obtain acknowledgments of receipt of this Order as follows:

- a. Each Defendant, within 7 days of entry of this Order, must submit to the FTC and the State of Georgia an acknowledgment of receipt of this Order sworn under penalty of perjury.
- b. For 7 years<sup>4</sup> after entry of this Order, each Individual Defendant for any business that such Defendant, individually or collectively with any other Defendants, owns a majority of or controls directly or indirectly, and each Corporate Defendant, must deliver a copy of this Order to: (1) all principals, officers, directors, and LLC managers and members; (2) all employees having managerial responsibilities for the manufacturing, labeling, advertising, promoting, offering for sale, sale, or distribution of any healthcare treatments or services<sup>5</sup> and all agents and representatives who

<sup>&</sup>lt;sup>4</sup> Plaintiffs requested that this provision should apply for 20 years. The Court finds that such a lengthy time period would be overly punitive and therefore orders a shorter timeframe of 7 years. That said, if there is any evidence of noncompliance, the Court may extend the time period, as related to this section and others.

<sup>&</sup>lt;sup>5</sup> For purposes of this section, "healthcare treatments or services" means any health-related dietary supplement, food, drug, device, or treatment, as well as any health-related service, program, or therapy.

participate in the manufacturing, labeling, advertising, promoting, offering for sale, sale, or distribution of any healthcare treatments or services; and (3) any business entity resulting from any change in structure as set forth in the Section of this Order titled Compliance Reporting. Delivery must occur within 21 days of entry of this Order for current personnel. For all others who this section becomes applicable to later within the 7-year period, delivery must occur before they assume their responsibilities.

c. From each individual or entity to which a Defendant delivered a copy of this Order, that Defendant must obtain, within 30 days, a signed and dated acknowledgment of receipt of this Order and transmit a copy of this acknowledgment to Plaintiffs' counsel.

## I. COMPLIANCE REPORTING

**IT IS FURTHER ORDERED** that Defendants make timely submissions to the FTC and the State of Georgia as follows:

- a. One year after entry of this Order, each Defendant must submit a compliance report, sworn under penalty of perjury:
  - i. Each Defendant must: (1) identify their primary physical, postal, and email address and telephone number, which representatives of the FTC and the State of Georgia may use to communicate with Defendant; (2) identify all of that Defendant's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses;

- (3) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the involvement of any other Defendant (which Individual Defendants must describe if they know or should know due to their own involvement); (4) describe in detail whether and how that Defendant is in compliance with each Section of this Order; and (5) provide a copy of each Order Acknowledgment obtained pursuant to this Order, unless previously submitted to the FTC and the State of Georgia.
- ii. Additionally, each Individual Defendant must: (1) identify all business activities, including any business for which such Individual Defendant performs services whether as an employee or otherwise and any entity in which such Defendant has any ownership interest; and (2) describe in detail such Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.
- b. For 7 years<sup>6</sup> after entry of this Order, each Defendant must submit a compliance notice, sworn under penalty of perjury, within 21 days of any change in the following:

<sup>&</sup>lt;sup>6</sup> Again, Plaintiffs request that this provision apply for 20 years. The Court finds a 7-year period to be a sufficient but not too lengthy period of time. Again, this period may be extended if Plaintiffs present evidence of Defendants' noncompliance.

- i. Each Defendant must report any change in: (1) any designated point of primary contact; or (2) the structure of any Corporate Defendant or any entity that Defendant has any ownership interest in or controls directly or indirectly that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.
- ii. Additionally, each Individual Defendant must report any change in: (1) name, including aliases or fictitious name, or residence address; or (2) title or role in any business activity, including any business for which such Defendant performs services whether as an employee or otherwise and any entity in which such Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.
- c. Each Defendant must submit to the FTC and the State of Georgia notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against such Defendant within 21 days of its filing.
- d. Any submission to the FTC or the State of Georgia required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: "I declare under penalty of

perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: \_\_\_\_\_\_" and supplying the date, signatory's full name, title (if applicable), and signature.

- e. Unless otherwise directed by an FTC representative in writing, all submissions to the FTC pursuant to this Order must be emailed to DEbrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580. The subject line must begin: *FTC*, et al. v. Steven D. Peyroux, et al.
- f. Unless otherwise directed by a State of Georgia representative in writing, all submissions to the State of Georgia pursuant to this Order must be sent by overnight courier to Jacquelyn L. Kneidel, Assistant Attorney General, Office of the Attorney General Chris Carr, Consumer Protection Division, 2 Martin Luther King, Jr. Drive, SE, Suite 356, Atlanta, Georgia 30334.

#### J. RECORDKEEPING

IT IS FURTHER ORDERED that Defendants must create certain records for 10 years after entry of the Order and retain each such record for 5 years after creation. Specifically, each Defendant, for any business that such Defendant, individually or collectively with any other Defendants, owns a majority of or controls directly or indirectly, must create and retain the following records:

- a. A copy of each unique advertisement or other marketing material;
- b. Accounting records showing the revenues from all goods or services sold;

- c. Personnel records showing, for each person providing services, whether as an employee or otherwise, that person's: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- d. Records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response; and
- e. All records necessary to demonstrate full compliance with each provision of this Order, including all submissions to the FTC and the State of Georgia.

## K. COMPLIANCE MONITORING

**IT IS FURTHER ORDERED** that, for the purpose of monitoring Defendants' compliance with this Order:

- a. Within 21 days of receipt of a written request from a representative of the FTC or the State of Georgia, each Defendant must: submit additional compliance reports or other requested information, which must be sworn under penalty of perjury; appear for depositions; and produce documents for inspection and copying. The FTC and the State of Georgia are also authorized to obtain discovery, without further leave of court, using any of the procedures prescribed by Federal Rules of Civil Procedure 29, 30 (including telephonic depositions), 31, 33, 34, 36, 45, and 69.
- b. For matters concerning this Order, Plaintiffs are authorized to communicate directly with each Defendant. Each Defendant must permit Plaintiffs' representatives to interview any employee or other person affiliated with any

such Defendant who has agreed to such an interview. The person interviewed may have counsel present.

- c. Plaintiffs may use all other lawful means, including posing, through its representatives, as consumers, suppliers, or other individuals or entities, to Defendants or any individual or entity affiliated with Defendants, without the necessity of identification or prior notice. Nothing in this Order limits the FTC's lawful use of compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1. Nothing in this Order limits the State of Georgia's lawful use of compulsory process, pursuant to O.C.G.A. § 10-1-405.
- d. Upon written request from a representative of the Commission or the State of Georgia, any consumer reporting agency must furnish consumer reports concerning Individual Defendants, pursuant to Section 604(1) of the Fair Credit Reporting Act, 15 U.S.C. § 1681b(a)(1).

#### L. RETENTION OF JURISDICTION

**IT IS FURTHER ORDERED** that this Court retains jurisdiction of this matter for purposes of construction, modification, and enforcement of this Order.

IT IS SO ORDERED this 26th day of December 2024.

**United States District Judge**