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TO: Jock Chung, Esq.

DATE: March 25, 2002

FAX: (202) 326-2558

PAGES: 5 total pages (including cover page)

FROM: Bernard R. Schwam

Re: Esrim Ve Sheva Holding Corp.
Docket No. C-4030

ENCLOSURE

Letter and referenced Compliance Report.

MESSAGE

For your information. Thank you.

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March 19, 2002

Secretary
Federal Trade Commission
600 Pennsylvania Avenue N.W.
Washington, DC 20004

Letter and enclosures sent via Fed Ex

**Re: Matter of Esrim Ve Sheva Holding Corp., et al.
Docket No. C-4030**

Dear Secretary:

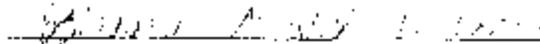
Enclosed herewith is the originally signed Compliance Report in connection with the above-captioned matter as required by the Decision and Order entered on December 17, 2001.

Please contact the undersigned if you need any additional information.

Thank you for your courtesy and cooperation in this matter.

Sincerely,

LAW OFFICES OF BERNARD R. SCHWAM

By: 
BERNARD R. SCHWAM

BRS:raj
cc: Jock Chung, Esq. (w/encls.)
Encls.

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of

ESRIM VE SHEVA HOLDING
CORPORATION,

a corporation, sometimes doing business as
GADGET UNIVERSE, and

ALEXANDER ELNEKAVEH,
individually and as an officer
of the corporation.

**DOCKET NO. C-4030
COMPLIANCE REPORT**

Respondents' Esrin Ve Sheva Holding Corp., a California Corporation and Alexander Elnekaveh, an individual and as President of Esrin Ve Sheva Holding Corp. (hereinafter collectively referred to as "Esrin Ve Sheva") hereby files its Compliance Report with the Federal Trade Commission in accordance with the FTC Decision and Order entered on December 17, 2001, in the Matter of Esrin Ve Sheva Holding Corp. et al., Docket No. C-4030, as follows:

- I. Since the date of the Order, Esrin Ve Sheva has not manufactured, labeled, advertised, promoted, offered for sale, sold or distributed any fuel-line magnet, or any purported fuel saving, or omission-reducing product for use in conjunction with a motor vehicle, in or affecting commerce, and therefore, has not made any representations of any sort in connection with any such product.

Esrin Ve Sheva has not produced or mailed any mail order catalog since November 23, 2001 prior to the date of the entry of the FTC Order. Esrin Ve Sheva has not conducted any advertising campaigns by e-mail since December 5, 2001. Esrin Ve Sheva, has in fact, ceased all direct marketing and will no longer produce or mail catalogs or advertise over the internet. Esrin Ve Sheva has changed its basic business purposes and is most likely going to be limiting its business to importing in the future.

- II. Esrin Ve Sheva has not manufactured, labeled, advertised, promoted, offered for sale, sold, or distributed any product, in or affecting commerce, since the FTC Order was entered and therefore, has not published any user testimonials or endorsements for any products for the reasons stated in Paragraph I above.

Compliance Report

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- III. Esrin Ve Sheva has not manufactured, labeled, advertised, promoted, offered for sale, sold, or distributed any product, in or affecting commerce, since the FTC Order was entered and therefore, has not represented or misrepresented that experience represented by any user testimonial or endorsement of any product represents typical or ordinary experience of members of the public for the reasons stated in Paragraph I above.
- IV. Esrin Ve Sheva has not manufactured, labeled, advertised, promoted, offered for sale, sold or distributed any product, in or affecting commerce, since the FTC Order was entered and therefore, has not represented or misrepresented the existence, contents, validity, results, conclusions or interpretations of any test, study or research for the reasons stated in Paragraph I above.
- V. Esrin Ve Sheva has maintained and will maintain its prior sales and catalog records in compliance with the FTC Order.
- VI. Esrin Ve Sheva has delivered a copy of the FTC Order dated December 17, 2001 to Alexander Elnekavch, its sole principal, officer, director and manager and has obtained from Mr. Elnekavch a signed and dated statement acknowledging receipt of the Order, a copy of which is attached hereto. Esrin Ve Sheva shall retain the statement in accordance with the FTC Order and make it available to the FTC at their request.
- VII. There has been no change in the corporation that would affect compliance obligations except that the trade name Gadget Universe and Esrin Ve Sheva's direct marketing assets such as customer files and other trade secrets have been sold to a corporation known as Strong Ideas Corporation in New York.
- VIII. Respondent Alexander Elnekavch has not discontinued his current business or employment since the date of the Order.
- IX. Respondents hereby file the Report required pursuant to the FTC Order.

I declare under penalty of perjury that the foregoing is true and correct.

Esrin Ve Sheva Holding Corp.,
a California Corporation

Dated: March 19, 2002

By:



Alexander Elnekavch,
President

Dated: March 19, 2002

By:



Alexander Elnekavch,
an individual

STATEMENT ACKNOWLEDGING RECEIPT OF FTC ORDER

I, the undersigned, hereby acknowledge receipt of the Federal Trade Commission Decision and Order in the matter of Esrin Ve Sheva Holding Corp., et al., Docket No. C-4030, dated December 17, 2001.

Dated: March 19 2002



Alexander Elnekaveh, President of Esrin
Ve Sheva Holding Corp.