

Federal Judge Dismisses All Claims by Axiom Against NAM and Others

On September 15th, 2008, North American Medical won yet another decision in a series of decisive victories in their ongoing legal battle with Axiom Worldwide when Federal Judge Jack T. Camp dismissed all of the claims made by Axiom in the 2006 lawsuit filed by NAM.

"North American Medical is obviously pleased with Judge Camp's decision," says Gidgette Rubin, NAM's Senior Vice President. "We feel that it's high time that both physicians and clients in the back-pain industry realized the extent to which Axiom's spin-masters will manipulate the truth in order to just sell machines, and then defend by denying the lies, followed by claiming the victims had done the same."

Axiom's counterclaims were filed in response to a suit North American Medical filed against Axiom in 2006. The suit, which continues, alleges substantial misconduct by Axiom, including the following:

- Axiom has repeatedly and falsely claimed their DRX-9000 machine is a patented device.
- Axiom has repeatedly and falsely claimed the DRX is FDA-approved.
- Axiom has repeatedly and falsely claimed the DRX machine was designed by NASA engineers.
- Axiom illegally used registered North American Medical trademarks.

Judge Camp ruled that there was a substantial likelihood that NAM would prevail at the trial of this case on each of these specific claims. The 11th Circuit Court of Appeals upheld these rulings by Judge Camp.

NAM has claims pending against Axiom in addition to the claims identified above. NAM will be filing even more claims of especially stunning misconduct against NAM and against Axiom's own customers in the very near future.

In response to NAM's initial claims, Axiom filed a 77-page counterclaim, the bulk of which consisted of flat denials of NAM's claims without any apparent substantiation for why they were untrue. It took Judge Camp only three pages to dismiss Axiom's counterclaim.

"Hopefully Judge Camp's decision is the beginning of a trend in the back-pain industry away from the deceptive advertising and greed-motivated tactics that have tainted it for far too long," says Richard O'Donnell, legal counsel for North American Medical. "We would have preferred to devote all our resources on continuing to lead the industry through innovation and customer responsiveness rather than commit so much energy to lawsuits necessary to clean up the industry, but we feel as if Axiom forced our hand," O'Donnell says. "The treatment and devices we offer are too important to back-pain sufferers the world over to have them diminished by a competitor's deceptive practices--practices notorious in nature as well as in volume."

The misconduct exposed in NAM's lawsuit seems to have sparked the interest of law-enforcement agencies, regulators, and disgruntled customers throughout the country. The FBI, as well as the Florida Attorney General's office (in Axiom's home state) have active investigations of Axiom pending, as do other law-enforcement agencies and regulators elsewhere. Individual and class-action lawsuits have been filed by Axiom customers claiming to have been defrauded and which include claims NAM has made in its lawsuit.

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