COMMISSIONERS: Deborah Platt Majoras, Chairman
Orson Swindle
Thomas B. Leary
Pamela Jones Harbour
Jon Leibowitz

In the Matter of

HI-HEALTH SUPERMART CORPORATION, a corporation, and

DOCKET NO.

SIMON D. CHALPIN, individually and as an officer of the corporation.

COMPLAINT

The Federal Trade Commission, having reason to believe that Hi-Health Supermart Corporation, a corporation, and Simon D. Chalpin, individually and as an officer of the corporation ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Hi-Health Supermart Corporation ("Hi-Health") is an Arizona corporation with its principal office or place of business at 7428 East Karen Drive, Scottsdale, Arizona 85260.

2. Respondent Simon D. Chalpin is president and chief executive officer of Hi-Health. Individually, or in concert with others, he formulates, directs, controls, or participates in the policies, acts, or practices of Hi-Health, including the acts and practices alleged in this complaint. His principal office or place of business is the same as that of the corporation.

3. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.
4. Respondents have advertised, offered for sale, and sold directly to the public and through the Paul Harvey “News and Comment” radio show “Premier Formula for Ocular Nutrition-Optim 3” (“Ocular Nutrition”), a dietary supplement containing Vitamins A, C, and E, zinc, lutein, zeaxanthin, and other ingredients for the purported treatment of eye diseases and conditions, including age-related macular degeneration, cataract, and floaters. Consumers pay $39.95 plus shipping and handling for a 25-day supply of Ocular Nutrition. Ocular Nutrition is a “food” or “drug” within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.

5. Respondents have disseminated or have caused to be disseminated advertisements through the Paul Harvey “News and Comment” radio show, including but not necessarily limited to the attached Exhibits A - F. These advertisements contain the following statements:

A. **PAUL HARVEY NOON NEWS 6/17/03**

PAUL HARVEY: From the mailbag: Dear Paul Harvey News, I was starting to get gray lines in my vision five years ago when I went to an eye care specialist and I was told that there were floaters made of protein deposits and nothing could be done. Well, they got worse 'til I had them in both eyes. I thought it was a lifetime thing.

Then I heard you advertising a product called Ocular Nutrition and I thought, what did I have to lose, so I ordered it. And on the first day, my vision became brighter. And now, I've taken them for two days and the dark areas in my vision are nearly gone. I just wanted you to know how well it worked. Thank you very much. Signed, Dorothy Farnum (phonetic), Kearney, Nebraska.

The nutritional supplements now prescribed in three responsible medical journals are Flora Glo Lutein and Vitamins A and C and E and zinc, and you get them all in one capsule from Hi-Health Ocular Nutrition. You can order as I do with a phone call to 1-800-686-2299. Again, the 800 number is 686-2299. [Exhibit A]

B. **PAUL HARVEY NOON NEWS 8/7/03**

PAUL HARVEY: From the mailbag. Mr. Harvey, my mother is 84; has been to four different eye doctors and bought the strongest eyeglasses that she could get, but her eyesight was fading. We were not going to renew our newspaper or magazine subscriptions because she could not see. But then we got the vitamins you recommended and she started taking them Tuesday, and by Thursday, she was reading our county paper and by Friday, she was reading our Singing News Magazine, which she hadn't been able to read for more than six months. Thank you for telling us about Ocular Nutrition. Signed, Joanne Menshaw (phonetic) of Brighton, Georgia.

There are now several nutritional studies in three responsible medical journals reporting that Flora Glo Lutein and Vitamins A and C and E and zinc can help some
individuals with macular degeneration and you can get all of these in one capsule from Hi-Health Ocular Nutrition.

You can order with a phone call as I do to 1-800-686-2299 or go online at www.hihealth.com. Ocular Nutrition from Hi-Health. Again, the 800 number is 686-2299. [Exhibit B]

C.

PAUL HARVEY NOON NEWS 8/20/03

PAUL HARVEY: Page four. Mr. Harvey -- I’m reading from the mailbag -- I’m a man of 83. I have had macular degeneration for four years. I was beginning to think that I’d have to spend the rest of my life in the dark. And then we heard you talking about Ocular Nutrition. My wife said, let’s try it. Thank God, Paul Harvey, we did.

We ordered the Premier Formula Ocular Nutrition on March of this year. I stepped out on the porch the other night and I could see a beautiful sky filled with millions of stars and I can see my beautiful wife’s face again. Thanks to you and your associates I’ll not have to spend the rest of my life in the dark.

P.S. I had been to four eye doctors. They all said there was no cure until I found yours, end quote.

Well, Americans, there are now several nutritional studies confirming, three responsible medical journals confirming that Flora Glo Lutein and Vitamins A and C and E and zinc may help some individuals with macular degeneration and/or with cataracts. And you can get all this nutrition in one capsule from Hi-Health. It’s called Ocular Nutrition. You order it with a phone call as I do to 1-800-686-2299 or online at www.hihealth.com.

By the way, a doctor in Chula Vista, California says, with Ocular Nutrition the floaters in his eyes that had been there for two years vanished in two weeks with Ocular Nutrition from Hi-Health. Again, that 800 number is 686-2299. 686-2299. [Exhibit C]

D.

PAUL HARVEY SAT. NOON 8/23/03

PAUL HARVEY: Page three. Macular degeneration, MD, it used to a terrifying prognosis. Go home and go blind.

We’ve come a long way. Today’s newest nationwide study of ophthalmologists reveals that 93 percent of these professional ophthalmologists are now recommending nutrition therapy.

Now, this is the fourth published study in three years recommending that patients with macular degeneration and/or cataracts should try a combination of vitamins and
minerals, A, C, and E and zinc and Flora Glo lutein. This newest study was financed by
Hi-Health which makes and markets these vitamins and minerals in a single capsule.
They call it Ocular Nutrition and 83 percent of the specialists, the ophthalmologists or
anybody with age-related cataracts and/or macular degeneration, 83 percent of them
specifically prescribe Ocular Nutrition.

You can get yours as I do with a phone call to 1-800-686-2299 or online at
hihealth.com. You can get a copy of this newest research if you’d like to have it by
asking for it. But let’s start with a phone call to 1-800-686-2299. And for further
information, you can go online at hihealth.com. That’s hi spelled H-I-, hihealth.com.
[Exhibit D]

E.     PAUL HARVEY NOON NEWS 8/28/03

PAUL HARVEY: This is from the mailbag. Dear Paul Harvey News: Two years ago, I
was diagnosed with macular degeneration and no chance of improvement. I couldn’t
read the newspaper. But my loving wife heard you touting the benefits of Hi-Health on radio.
Immediately she called and ordered some Hi-Health Ocular Nutrition.

My vision has steadily improved. I can read the paper again. What a marvelous
feeling. I want everybody to know that there is help for macular degeneration. My
thanks to you and to Hi-Health and my wonderful wife for the fact that I can see again.
Signed, Jeff Holland of Belle Verde, Texas.

There are several nutritional studies now in three responsible medical journals
reporting that certain nutrients may help individuals with macular degeneration and/or
cataracts and/or those little floaters that get in your eyes sometimes, and all of those
vitamins and minerals, all of them are available in one capsule, if you’ll make a phone

If you want to go out and purchase all of those minerals and vitamins and such
separately, they’re Vitamins A and C and E and zinc and Flora Glo Lutein. But if you
want them all in one capsule, just make a phone call as I do to 1-800-686-2299. 1-800-
686-2299. [Exhibit E]
PAUL HARVEY NOON NEWS 9/9/03

PAUL HARVEY: In Denton, Texas, Harold Reed is a dental doctor, and when his mother was diagnosed with macular degeneration, when she was told there is no treatment for her blurred vision, Dr. Reed remembered that you and I had been talking about a special vitamin formula for Ocular Nutrition and he ordered some for his mother.

Within one month, she reported the dark spot -- the dark spot in her field of vision was gone. Gone. Her vision was back to normal. Dr. Reed says he’s always been skeptical of testimonials, but he would never doubt his mother. Well, the nutritional supplements, since prescribed in three responsible medical journals, are Flora Glo Lutein and Vitamins A and C and E and zinc, and you can get them all in one capsule if you like from Hi-Health Ocular Nutrition.

You order with a phone call as I do to 1-800 then 686-2299 or online at www.hihealth.com, www.hihealth.com. Or you can always contact any client of this program through paulharvey.com.

By the way, a doctor in Chula Vista, California says, with Ocular Nutrition, the floaters in his eyes for two years vanished in two weeks. Ocular Nutrition from Hi-Health. Again, the 800 number is 686-2299. [Exhibit F]

6. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that Ocular Nutrition:

A. Restores vision lost from macular degeneration.

B. Eliminates floaters.

7. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 6, at the time the representations were made.

8. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 6, at the time the representations were made. Therefore, the representation set forth in Paragraph 7 was, and is, false or misleading.

9. Through the means described in Paragraph 5, respondents have represented, expressly or by implication, that:

A. Several nutritional studies in responsible medical journals confirm that the ingredients available in Ocular Nutrition may help individuals with cataracts and/or floaters.
B. A study financed by Hi-Health shows that 83% of ophthalmologists recommend or prescribe Ocular Nutrition to treat age-related macular degeneration and cataracts.

10. In truth and in fact:

A. There are no nutritional studies in responsible medical journals that confirm that the ingredients available in Ocular Nutrition may help individuals with cataracts and/or floaters. In fact, a seven-year study by the National Eye Institute that included all of the primary ingredients available in Ocular Nutrition except lutein found that the ingredients used did not prevent the development or progression of cataracts and did not assess the effects of any ingredients on floaters. In addition, a statement issued by the National Eye Institute with regard to lutein cautions that while a number of studies suggest a link between lutein and decreased risk of eye disease, there is little, if any, definitive scientific evidence at this time to support claims that lutein can decrease the risk of developing cataracts.

B. A study financed by Hi-Health does not show that 83% of ophthalmologists recommend or prescribe Ocular Nutrition to treat age-related macular degeneration and cataracts. In fact, the study respondents were not asked whether they recommend or prescribe Ocular Nutrition to their patients with age-related macular degeneration and cataracts.

Therefore, the representations set forth in paragraph 9 were, and are, false or misleading.

11. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices, and the making of false advertisements, in or affecting commerce in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this day of , 2005, has issued this complaint against respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: