

## EXHIBIT H

9

1 Up until this point, Dr. Callahan's Technique was only  
2 available one-on-one with Dr. Callahan. The fee was \$3,000.  
3 Three thousand. I paid that. I'm going to tell you that story.

4 Now you can get the video. In just 15 minutes you can learn  
5 the simple, one minute procedure that you can apply to yourself  
6 that eliminates all the stress and anxiety in your body,  
7 eliminates any addictive urge, whether it be for smoking, whether  
8 it be for weight loss, whether it be any type of compulsion or  
9 addition, and eliminate it.

10 The video we sell right now, this is a limited time offer.  
11 I'm not sure how long we're going to make this available. We  
12 were selling it for \$90.00 on our Infomercial. We are making it  
13 available now at a special price of \$29.95. Twenty-nine ninety-  
14 five for the video.

15 Now we are so convinced, and I'm so passionate about this  
16 because I've seen it happen with friends of mine, I've gotten  
17 letters, I've seen the phone calls, I hear the people telling me  
18 the results and the response, that we're offering a one-year,  
19 unconditional money back guarantee.

20 Folks, you're not going to have to wait a year. When you  
21 get this videotape, when you get this videotape for twenty-nine  
22 bucks and you take it home and you watch it, it just takes 15  
23 minutes to watch, and you apply the technique just one time,  
24 you'll know whether it works. And it does work.

25 So pick up the phone and call now. If the phone is busy,

EXHIBIT H

1 continue to call back. Write the number down. We don't know how  
2 long we're going to make this available at this price, but it's  
3 something that could change your life.

4 We have a caller on the line. Thanks for calling. I'm  
5 Kevin Trudeau.

6 FEMALE CALLER: Hi, Kevin. I'm trying to quit smoking and  
7 I'm having a terrible time. I've tried everything.

8 MR. Trudeau: Have you tried the patch and --

9 FEMALE CALLER: Yes.

10 MR. Trudeau: Different things like that?

11 FEMALE CALLER: Yes. I've had hypnosis. I've tried  
12 everything.

13 MR. Trudeau: Subliminal tapes and -- You know, smoking is  
14 something that's so common out there because people try all types  
15 of things, and people always say the same thing. I've tried  
16 everything. I'm trying to quit but I can't quit.

17 I've tried the patch. I've tried the subliminal tapes.  
18 I've tried the -- this system that slows, you know slows the  
19 process down. I've tried will power. Nothing gets to the root  
20 cause of smoking.

21 And by the way, if you ever quit smoking, if anyone out  
22 there watching has tried to quit and did quit using will power,  
23 you may have gained a lot of weight. Why? Because you didn't  
24 get to the root cause of the smoking. The root cause is the  
25 stress and anxiety energy field that's flowing through the body.

## EXHIBIT H

11

1 That's the cause.

2 Nothing, up until this point, The Callahan Technique is the  
3 only thing that gets to the root cause. It breaks up the energy  
4 field, the stress and anxiety, at the cellular energy field  
5 level. It's the deepest root level that it gets rid of. I'll  
6 tell you a story about this.

7 When I first met Dr. Callahan, the way I came about meeting  
8 him, was I was flying on an airplane. I was reading one of the  
9 airline magazines, and it had this full-page ad. It said the  
10 five minute phobia cure. I said, "The five minute phobia cure?  
11 That sounds pretty interesting for, you know, for people that are  
12 afraid of snakes, or maybe going over bridges or tunnels. It  
13 cures phobias."

14 So I called them up and I sent for some of the material. He  
15 sent it to me, and he charged \$3,000 to get rid of a phobia with  
16 personal treatment. So I talked to him on the phone and said,  
17 "You know, Dr. Callahan, I have an Infomercial. I bring products  
18 to market where I share these things which I think are pretty  
19 revolutionary and helpful to market. Is this really work?"

20 He said, "Of course, it has. You know, I've been on Oprah.  
21 I've been on Donohue. I've been on all the major talk shows.  
22 I've been on hundreds of radio shows and things." He's a very  
23 credible guy. A 35-year, clinical psychologist, one of the  
24 foremost authorities on addictions and compulsions and stress and  
25 anxiety and phobias. Very, very well know.

## EXHIBIT H

12

1           So I said, "Well, does it work for addictions?" He said,  
2 "Yeah." I said, "How about smoking?" He says, "Oh, yeah." At  
3 the time, I'm smoking a cigar. I was smoking six to eight cigars  
4 a day. Six to eight a day. And when I say I was smoking them,  
5 it was an uncontrollable urge to smoke. I didn't have any  
6 control over it.

7           Many of you right now watching, if you smoke cigarettes you  
8 know what I'm talking about. You can't control it. You've tried  
9 to quit and you can't. It's an uncontrollable urge.

10          So I said, "Hey, can you get rid of this smoking addiction.  
11 I've tried everything. I've spent tens of thousands of dollars  
12 myself, going to the top people in the country. Hypnotists,  
13 neuro-linguistic programming people, the patch, the subliminal  
14 tapes. Nothing works.

15          He said, "Because nothing gets at the root level cause." He  
16 says, "What I want you to do is call me the next time you want to  
17 smoke the cigar. We'll knock it out in 60 seconds." That's a  
18 pretty tall order.

19          So I called him back. Now here's what happened, by the way.  
20 When I called him the next day, I wanted to smoke a cigar. I  
21 didn't take any cigars with me to the office. I told my friend  
22 Jules, "Hey Jules, on the way home, make sure I call Callahan  
23 because I dying for a cigar. I know I will by the end of the  
24 day."

25          End of the day, I'm climbing the walls. I mean, I have to

## EXHIBIT H

13

1 have the cigar. I told my friend Jules, "When I get home, I'm  
2 going to smoke this cigar." He said, "No, you're not. You're  
3 going to call Callahan." I almost got into a fight with him. I  
4 says, "I'm not calling Callahan. I want to smoke this cigar."  
5 Jules said, "Listen, just call him first and then smoke the  
6 cigar."

7 I got in my house and if he wasn't there to pick up the  
8 phone and dial it for me, I don't know what I would have done.  
9 Got him on the phone and Callahan says, "On a scale of one to  
10 ten, where's your urge to smoke the cigar?" I said, "A hundred.  
11 I mean, I'm going to smoke this and no one's going to take it  
12 away from me." That's how addicted I was.

13 Many of you right now, if Hagen Daas ice cream is your  
14 thing, if it's pizza, if you're fat because it's some type of  
15 potato chips or things, or if it's cigarettes, you know what I'm  
16 talking about. It's an uncontrollable urge.

17 So he walked me through the technique on the phone. It took  
18 less than a minute. I'm holding the cigar in my hand and he  
19 says, "On a scale of one to ten, where's your urge now?" And I  
20 looked at that cigar and I thought, "It's gone." He says, "No,  
21 imagine how wonderful it will taste to smoke it." I said,  
22 "Doctor, I don't want this. I'm not going to smoke this."

23 I just feel totally relaxed. I can't believe how relaxed I  
24 feel. How -- man, I feel better than I have in years. He said,  
25 "That's great." I said, "But I'm convinced that the urge is

## EXHIBIT H

14

1 going to come back, if not tonight, tomorrow." He said, "If the  
2 urge comes back, you call me."

3 Six months passed, folks. Six months, before I ever had  
4 another urge. That one single treatment lasted six months. And  
5 I used to keep this box of cigars. I had 150 cigars in my  
6 humidor in my house. And I'd look at them when I'd go home and  
7 go, I don't have any urge to smoke.

8 The great thing about it is this, when you knock out your  
9 urge -- by the way, thank you very much for calling. So if you  
10 do smoke, you need to call right now and order this program.  
11 It's only \$29.95 for the videotape and this will knock out --  
12 this will give you a technique.

13 It only takes 15 minutes to learn. When you learn this  
14 technique, you can apply it anytime, anyplace, anywhere. It's  
15 simple, it's easy, and in one minute you can knock out any  
16 addictive urge you have while at the same time totally reducing  
17 the stress at the cellular level in the body.

18 You're going to feel so wonderful when you reduce the stress  
19 in the body and the urge is gone. But not only for cigars, not  
20 only for cigarettes. I'll tell you a story.

21 My friend Jack Freeman from Charlotte, North Carolina, he  
22 came into Chicago and visited me. I hadn't seen this guy in ten  
23 years. I went to high school with him. Came off the plane, we  
24 were going to the West Coast.

25 The first thing he said was, "Hi Kevin nice to see you."

Complaint

125 F.T.C.

## EXHIBIT H

15

1 I hadn't seen him in ten years. And he said, "I need to have a  
2 cigarette." Now here's a guy who's about 40 pounds overweight,  
3 smokes three packs a day for about 20 years. And he said, "I  
4 need to have a cigarette."

5 I said, "Well, you can't. We're running late for our plane.  
6 This is a non-smoking terminal. We have to get on it. We only  
7 have six minutes to get there. But don't worry, Jack. When we  
8 get on the plane, I'll give you a technique that will knock out  
9 the urge."

10 He grabbed me with both hands and goes, "No, I have to smoke  
11 this cigarette." I said, "Just trust me, Jack." We ran down,  
12 got on the plane and sat down. He goes, "Kevin, you have to do  
13 this to me. I've got to smoke a cigarette. I'm going crazy."

14 If any of you right now smoke cigarettes, you know what I'm  
15 talking about. You don't -- you go without a cigarette for a  
16 short period of time, you're climbing the walls.

17 So I walked him through this 60 second technique. The first  
18 thing I said was, "Jack, on a scale of one to ten, where is your  
19 urge?" He said, "A twenty." So I walked him through the  
20 technique. In 60 seconds he looked at me and I said, "Jack,  
21 where is your urge now?" He said, "I don't want it."

22 I said, "No, Jack. Take out a cigarette. Smell it.  
23 Imagine how luscious and wonderful it's going to taste. You love  
24 smoking." He looked at the cigarette and goes, "I don't want  
25 it." I said, "Fine."

## EXHIBIT H

16

1 Now, here's the kicker. The food came, and we were talking  
2 and eating. He was eating really slow. He said, "I feel so  
3 relaxed. Man, that thing you did to me, I just feel so great."

4 It's easy. It takes less than 60 seconds to apply.

5 The flight attendant came over. He hadn't finished his  
6 food. She came back again. He'd finally not really finished it,  
7 but he was done. He was the last person to finish his food, and  
8 he didn't even eat it all. He grabbed me and he says, "Kevin,  
9 that was the slowest I've ever eaten my food. The slowest." I  
10 said, "Of course, isn't the best cigarette the one after a meal?"  
11 He said, "Yeah."

12 And isn't that true. I said, "Jack, you don't need to smoke  
13 a cigarette so now you can enjoy your food. But notice  
14 something, you didn't clean your plate, did you?" He said, "No."  
15 I said, "You were using food as a method also to reduce and hide  
16 that stress and anxiety field. You use cigarettes and food."

17 Since that time, he just called me up this week and he told  
18 me he's lost over 15 pounds. He's approaching 20 pounds weight  
19 loss. He feels great. There's no effort on his part. He just  
20 doesn't have any desire to eat when he's not hungry.

21 The best thing about this technique if you're overweight,  
22 you can eat everything you want. You can eat pizza, you can eat  
23 ice cream, you can eat anything and everything you want. You're  
24 just not going to want it. The urge is going to be gone. The  
25 uncontrollable urge is gone.



Complaint

125 F.T.C.

## EXHIBIT H

17

1           The reason you're overweight is you eat when you're not  
2 hungry. You know it. It's an eating disorder and you can knock  
3 it out.

4           We have another caller on the line. Thanks for calling.  
5 I'm Kevin Trudeau.

6           MALE CALLER: Hi, Kevin. I just have a question about -- I  
7 do some work at a drug and alcohol treatment center. Would this  
8 be helpful for alcoholics when they have that compulsion to  
9 drink?

10          MR. Trudeau: That's an excellent question. When I was on  
11 Value Vision, the home shopping club, a gal called up and said  
12 she does work in an alcohol and drug treatment center with  
13 alcoholics, heroin addicts, cocaine addicts. That's how Dr.  
14 Callahan actually started this work. He worked with some of  
15 these major additions.

16          Here's the interesting thing. Whether your addiction is  
17 cocaine, heroin, alcohol or pizza or chocolate or cigarettes,  
18 it's all caused by the exact same thing. The stress and anxiety  
19 energy field.

20          She told me that she's getting this program and for the  
21 first time in her life she can actually help people, because in  
22 60 seconds she knocks out the urge, the uncontrollable urge.

23          A lot of people ask me, how long does that last? When you -  
24 - if you have an urge to smoke a cigarette or take a drink -- let  
25 me just finish the story, by the way.

## EXHIBIT H

18

1 Another gal called up on the same day on Value Vision and  
2 said this. She brought the program 30 days ago. She had lost  
3 weight -- and after she used it once, she lost weight. But her  
4 husband was an alcoholic. He used the program. He hadn't had a  
5 drink in 30 days. Why? Because it knocked out the addictive  
6 urge.

7 Dr. Callahan was in a grocery store in California where he  
8 lives. A guy ran up to him and said, "Dr. Callahan?" He said,  
9 "Yes." He said, "I saw you on TV three years ago when you were  
10 talking about this technique, and I got your book where it  
11 describes it."

12 He said, "I was an alcoholic my whole life, over 28 years.  
13 I used your technique and I haven't had a drink. Doctor, in three  
14 years, and I feel so wonderful."

15 So in answer to your question, yes, any type of addiction or  
16 compulsion.

17 I took a fellow who had -- who picked his thumb all the  
18 time. That was a compulsion. Another person washed his hands 28  
19 times a day. When you have the uncontrollable urge to do  
20 anything which is primarily destructive, the technique knocks it  
21 out.

22 I had a gal call up and she said she was addicted to  
23 vacuuming, which I didn't see that big of a problem with that,  
24 but she did. So we knocked that out and she doesn't have to  
25 vacuum now. It's a uncontrollable urge.

## EXHIBIT H

19

1           So you can absolutely knock it out, and if you get this  
2 program, you need to call me back or write me and let me know the  
3 results in your clinical practice. We're seeing this all around  
4 the country.

5           Thank you very much for calling.

6           You know, there's another story I want to talk about with  
7 cigarettes. When I was at -- I was at this company up in  
8 Minneapolis. One of the things I was doing is I was describing  
9 this technique. Somebody grabbed me and said, well, this seems  
10 really too good to be true. I said, "No, it is true."

11           If you're watching right now, I want you to think about it.  
12 Up until this point three thousand dollars is what you would be  
13 charged to work with Dr. Callahan. Three thousand dollars, and  
14 it worked. And it's worth every penny.

15           I mean, how much would you pay? If someone said to you, I  
16 guarantee you that you can eat anything you ever wanted and lose  
17 all the weight you want easily and effortlessly, how much would  
18 you pay? Is three thousand a good price? Guaranteed or your  
19 money back.

20           If someone said, I guarantee you, you can quit smoking  
21 without any problem whatsoever. Three thousand. Would it be --  
22 it's guaranteed. Guaranteed, for a year, where you get your  
23 money back if it didn't work. That'd be a good price. You don't  
24 have to pay three thousand.

25           This product that we're bringing now, we were selling it up

## EXHIBIT H

20

1 to \$90.00. Eighty-nine ninety-five is what we're selling it for.  
2 It's available now, limited time, \$29.95. That's it, with a one-  
3 year, money back guarantee.

4 Folks, you'll know. It takes 15 minutes to learn the  
5 technique, one minute to apply it. You can eliminate any  
6 addictive urge and you'll know from the day you get it whether it  
7 works or not.

8 And it works. In my view, it works 100 percent of the cases  
9 that people apply it.

10 Smokers. While I was at this company, and we were talking  
11 about this, and they said, well, I'm not too sure. Three people  
12 were walking out the door, all with cigarette and lighter in  
13 hand. And I said, "Well, let's try this."

14 So I asked them all, "On a scale of one to ten, where's your  
15 urge?" They said, "About five or six." I said, "Smell that  
16 cigarette. You know, get the urge up." "Oh man, it's a nine or  
17 a ten." We used the technique. In 60 seconds, knocked out the  
18 addictive urge.

19 They all looked at me and said, "I don't have the urge. I  
20 don't want the cigarette." One person actually grew about two  
21 inches because all the stress left her body. She said she felt  
22 wonderful. Another person said her back pain went away. Another  
23 guy said his arm pain went away.

24 Many sicknesses and illnesses are caused by stress, as we  
25 know. I mean, this is written up in AMA literature. And when we

Complaint

125 F.T.C.

## EXHIBIT H

21

1 release stress from the body, the body maybe it works better, but  
2 you feel better for certain. You see and feel the reduction in  
3 the stress in your body.

4 We have another caller. You're on the line. I'm Kevin  
5 Trudeau.

6 MALE CALLER: Yeah, hi Kevin. Listen, I have this  
7 uncontrollable urge to eat snacks and probably the worse thing  
8 that I feel is with popcorn --

9 MR. Trudeau: Right.

10 MALE CALLER: Specifically. And I don't go out to the  
11 movies anymore.

12 MR. Trudeau: (Laughter)

13 MALE CALLER: It's like -- it's my lifestyle.

14 MR. Trudeau: Yeah, I've heard people that call me up and  
15 say they eat potato chips, potato chips is one. Popcorn was  
16 another one. Chocolate is a common one. I had one gal call up  
17 and said honey roasted peanuts was another one.

18 The uncontrollable urge to do anything that's destructive is  
19 what we're talking about.

20 I had a gal grab me up when I was in Utah, Green Valley  
21 Health Spa. Beautiful Spa. She was about maybe 60 to 80 pounds  
22 overweight. She may say a hundred, but she was overweight.

23 She said, "My problem is Hagen Daas ice cream and Milano  
24 Petritram cookies." Hagen Daas -- macadamian nut brittle was her  
25 favorite.

## Complaint

## EXHIBIT H

22

1           So I went and bought some, and I brought it back and put it  
2 right in front of her and said, "Do you want this?" And she had  
3 just eaten lunch. And she looked at that bowl of ice cream, she  
4 grabbed the table, her whole face had changed, "Yeah." I mean,  
5 she was a panic. It was a panic attack.

6           And I walked her through the treatment. I said, "Do you  
7 want it now?" She says, "No. I don't want it. I'm in control  
8 of my life for the first time." I brought out the Petritram  
9 cookies. I said, "Do you want these?" She says, "No. I don't  
10 want it."

11           So if you have a popcorn addiction, chocolate, cigarettes,  
12 any addiction, in 60 seconds it'll knock out the addictive urge.  
13 Totally, just knock it out. And all the stress leaves your body.

14           It also eliminates stress and anxiety. I was in California.  
15 There was a seminar going on, and this guy was this big inventor  
16 of the stress and anxiety program. It had like ten tapes or  
17 something. It was a big tape program. He said it teaches  
18 people how to manage their stress. I want you to market it.

19           I said, "I don't believe in managing something you can  
20 eliminate." He looked at me and I said, "I believe you can  
21 eliminate stress." I said, "I don't think you should manage it."  
22 I said, "By the way, how'd you get involved in this?" He said,  
23 "Well, I've had stress and anxiety attacks my whole life." I  
24 looked at him and said, "Are you under stress right now?" He  
25 said, "Well, yeah." "On a scale of one to ten, where's your

Complaint

125 F.T.C.

## EXHIBIT H

23 • 6

1 stress level?" He said, "About a seven."

2 I walked him through this technique, took less than a  
3 minute. I said, "Where's your stress level now?" He looked  
4 around, he was like, as if he was trying to find it, he said,  
5 "It's gone." I said, "Do you have to manage it now? It's gone."

6 Folks, I want you to know something. If you want to lose  
7 weight, if you want to quit smoking, if you want to eliminate  
8 stress and anxiety in your body, you need to pick up the phone  
9 and call.

10 This program, The Callahan Technique, the addiction breaking  
11 system, will take -- it's a videotape. In 15 minutes, you'll  
12 learn the simple-to-apply technique. You just watch the  
13 videotape once. You'll learn the technique. You can apply it to  
14 yourself in 60 seconds, anytime, anyplace, anywhere and you'll  
15 eliminate any addictive urge. Any addictive urge, whether it be  
16 for food, you can lose all the weight you want, effortlessly,  
17 because now it's not a struggle.

18 You can quit smoking, effortlessly, because now it's not a  
19 struggle. You can reduce stress and anxiety in your body.

20 Again, Dr. Callahan has been featured on most of the major  
21 talk shows, including Donohue, CNN. The results we've seen are  
22 powerful and they work.

3 I want you to think right now, if this works, what is it  
4 worth to you and the people that you know and you love. I want  
5 you to call now and order this. It has a one-year.

## EXHIBIT H

24

1 unconditional, money-back guarantee. Nothing ever -- we've never  
2 been so confident in anything to offer this type of guarantee.

3       You'll know whether it works in the first minute after you  
4 get the program. And it does work.

5       Pick up the phone and call. If the line is busy, write the  
6 phone number down quick and keep calling back if you can't get  
7 through. Everytime I've ever been on television with this  
8 program, we have blown out all the phone lines and we have sold  
9 this thing like crazy.

10       It was selling for \$90.00. Dr. Callahan charges \$3,000.  
11 For a limited time, it's \$29.95. You can lose all the weight you  
12 want.

13       For the first time in history, it gets to the root cause of  
14 addictions, which is the stress. People who use this program go  
15 to work and people say, wow, you look so relaxed. One gal said  
16 that she was told that she looked ten years younger. She wanted  
17 to know if they got plastic surgery because while using the  
18 technique, all the facial muscles just relaxed.

19       I wish I had more time to talk. Pick up the phone and call  
20 now.

21       This has been Kevin Trudeau on this very special edition of  
22 A Closer Look. Join me next time for another edition of A Closer  
23 Look.

24       The preceding has been a paid, commercial program brought to  
25 you by Mega System.

25

1       END OF TAPE  
2



Complaint

125 F.T.C.

## EXHIBIT I

**DR. CALLAHAN'S ADDICTION BREAKING SYSTEM**

Dr. Callahan's Addiction Breaking Hotline, this is (your name) and can I have your name please?

Thanks for calling (customer's name)... what do you hope to gain by ordering Dr. Callahan's addiction breaking video?

Great (customer's name)... by placing your order today you're taking the most important step to eliminate your addiction (s) for the rest of your life.

**TAKE THE ORDER NOW...****Customer Question:**

"Can you tell me a little bit more about it?"

**Answer:**

"I'll be glad to"

Dr. Callahan's addiction breaking system is a video taped program that will instantly teach you how to break any addictive urge you want to eliminate by using a simple and easy to use 15 minute technique. This breakthrough technique is not available anywhere else in the country and is only being offered through this special television promotion. Dr. Callahan's clients have paid up to \$500 to learn the very same techniques that you will learn in your video program for only \$29.95 plus shipping & handling. (\$7.95)

**SECURE THE ORDER NOW!!!**

By the way (customer's name), you can also include with your order today one of Dr. Callahan's most highly sought after programs...the 5 minute phobia cure, which can totally eliminate any fear that you may have. This program is normally offered for \$89.95, but Dr. Callahan will allow you to include it in your order today for only \$15.95. And you can get the benefit of eliminating your fears for the rest of your life.

**BENEFITS TO YOUR CUSTOMER:**

QUIT SMOKING

BREAK ADDICTIVE URGES

LOSE WEIGHT

GAIN CONTROL OF YOUR LIFE AGAIN

Complaint

EXHIBIT J

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

FEDERAL TRADE COMMISSION

FTC MATTER NO.: 942-3278

TITLE: JEANIE ELLER'S ACTION READING  
TELEVISION INFOMERCIAL

PAGES: 1 THROUGH 34

MIS/SALBERG COMPLAINT EXHIBIT J  
TRUDEAU COMPLAINT EXHIBIT D  
ELLER COMPLAINT EXHIBIT A

Complaint

125 F.T.C.

## EXHIBIT J

## P R O C E E D I N G S

1  
2 ANNOUNCER: The following is a paid commercial program  
3 brought to you by Mega Systems.

4 MR. TRUDEAU: Thanks again for watching. I'm Kevin  
5 Trudeau and this another edition of "A Closer Look". Over one  
6 million children graduate from high school each year functionally  
7 illiterate. That's what the U.S. Government says. They simply  
8 can't read. Millions of adults, many of whom are watching  
9 this show right now, can't read.

10 According to my guest, Jeanie Eller, every single  
11 person -- if they can see, hear and talk -- can learn to read,  
12 guaranteed. She also claims that her revolutionary approach to  
13 teaching reading is easy, quick, and works 100 percent of the  
14 time.

15 Jeanie, thanks for being my guest today.

16 MS. ELLER: Thank you, Kevin. It's a real honor.

17 MR. TRUDEAU: Yes, we were having some fun before this  
18 show and I said, they can't read in a matter of hours, right?

19 MS. ELLER: That's right. You sound like my father.  
20 One time he said, if you're so smart, why don't you just teach  
21 them to read in 24 hours.

22 MR. TRUDEAU: That's right.

23 MS. ELLER: I said, well, if I could do it straight  
24 through, I could. But most people wouldn't be able to go through  
25 for 24 hours. But they can do it in as little as a month to six

## EXHIBIT J

2

1 weeks.

2 MR. TRUDEAU: But, now, I have to ask you a question.  
3 Before we talk about your program, I know that you're the, ah,  
4 the spokesperson or the founder of this home study course, called  
5 "Action Reading", which teaches kids and adults how to read at  
6 their home. But is there a real problem today with illiteracy,  
7 with kids and adults?

8 MS. ELLER: Oh, absolutely. In fact, a year ago, in  
9 1993, they came out with research that showed that 90 million  
10 adults are functionally illiterate.

11 MR. TRUDEAU: Ninety million.

12 MS. ELLER: That is half our population.

13 MR. TRUDEAU: I was going to say, how many people are  
14 there in America?

15 MS. ELLER: Yeah, that's half of our adult population.  
16 And what they define as functionally illiterate --

17 MR. TRUDEAU: Right.

18 MS. ELLER: -- is, they cannot read a newspaper.

19 MR. TRUDEAU: Uh-huh (yes).

20 MS. ELLER: They cannot go to the grocery store and  
21 shop by the names of products. They have to look at the picture  
22 to see what's in the container. They can't read a bus schedule  
23 or figure out a job application or, you know, fill out a form.

24 They certainly cannot read the Constitution, the Bill  
25 of Rights, or the issues in an election. They really cannot

Complaint

125 F.T.C.

## EXHIBIT J

3

1 function in this society.

2 MR. TRUDEAU: Wait a minute. Who says half of our  
3 people -- ah, half of the people in America can't read?

4 MS. ELLER: This was a study that was -- that came out.  
5 It was on all the major television news. It was in "USA Today".

6 MR. TRUDEAU: Uh-huh (yes).

7 MS. ELLER: It was actually September of '93.

8 MR. TRUDEAU: Uh-huh (yes).

9 MS. ELLER: And it was published by the United States  
10 Department of Education.

11 And, for example, you know, we don't realize that  
12 people are out there who can't read and what -- what a handicap  
13 that is.

14 I was doing a radio show and a man called in. And he  
15 said, I want to tell you what it's like. I went to the grocery  
16 store and I bought this container that had a picture of fried  
17 chicken. Took it home, you know, the mouth was watering, all  
18 ready to pop it in the microwave and eat the fried chicken. And  
19 I opened it up and it was this white stuff that you cook the  
20 chicken in, called shortening.

21 MR. TRUDEAU: Ahhh.

22 MS. ELLER: You see, that's how they have to live.  
23 They have to rely on picture cues. They may be in a restaurant.  
24 You know, you're sitting right there with someone --

25 MR. TRUDEAU: Right.

## EXHIBIT J

4

1 MS. ELLER: -- and they say, well, what are you going  
2 to have? What looks good to you? That's the way people have to  
3 function, they hide it. They --

4 MR. TRUDEAU: It's like a secret.

5 MS. ELLER: -- they are embarrassed. Absolutely. And  
6 they think it's their fault. They're embarrassed. They think  
7 they've done something wrong or they think they have a learning  
8 disability. It's really a tragic situation. Half of our adult  
9 population.

10 MR. TRUDEAU: Well -- well, how do they go through  
11 school and graduate and get a diplo- -- now, half of these people  
12 have diplomas, right? I mean, a lot of these people --

13 MS. ELLER: Oh, yes --

14 MR. TRUDEAU: -- have diplomas.

15 MS. ELLER: -- many of them. And they've all --

16 MR. TRUDEAU: How do they --

17 MS. ELLER: -- attended school.

18 MR. TRUDEAU: -- how -- how -- how do they graduate  
19 high school without learning how to read? I don't understand.

20 MS. ELLER: Well, see --

21 MR. TRUDEAU: How do they do homework? How do they --?

22 MS. ELLER: -- okay, here's what happened, Kevin.

23 We've changed the way we teach reading in the schools.

24 MR. TRUDEAU: Okay.

25 MS. ELLER: So, now, the methodology that we use it --

Complaint

125 F.T.C.

## EXHIBIT J

6  
5

1 that we use in the schools does not teach the children to read in  
2 first grade, as it did when I was a child.

3 MR. TRUDEAU: Oh, 'cause I went to -- to school, I  
4 remember in the first grade, we had the phonics, ah --

5 MS. ELLER: Okay.

6 MR. TRUDEAU: -- book.

7 MS. ELLER: Exactly. That's what you have to have to  
8 learn an alphabetic language. And English is an alphabetic  
9 language.

10 MR. TRUDEAU: Right.

11 MS. ELLER: You cannot memorize it, by sight, as if it  
12 were Chinese.

13 MR. TRUDEAU: Well, aren't we learning -- aren't --  
14 aren't they being taught phonics now?

15 MS. ELLER: Nooo. No, no, no.

16 MR. TRUDEAU: They're not being taught --

17 MS. ELLER: No.

18 MR. TRUDEAU: -- phonics in school?

19 MS. ELLER: No. Fifteen percent of the schools in  
20 America are using intensive, systematic direct instruction of  
21 phonics in first grade, as the research from the United States  
22 Department of Education tells them they should. Eight-five  
23 percent of the schools in America are not doing that. They are  
24 having the children memorize words by sight, what we would know,  
25 recognize as the "Dick and Jane" type readers.

## EXHIBIT J

6

1 MR. TRUDEAU: Right, the look -- isn't that the "look-  
2 see" method?

3 MS. ELLER: "Look-say," yes.

4 MR. TRUDEAU: Okay, "look-say."

5 MS. ELLER: I call it "lock and guess."

6 MR. TRUDEAU: Right. (Laughs.)

7 MS. ELLER: They call it "look and say." Well, the  
8 reason I call -- do that is because --

9 MR. TRUDEAU: Yeah.

10 MS. ELLER: -- after teaching school for 30 years and  
11 watching these children look at the picture and then just guess  
12 at the words, I call it "look and guess."

13 MR. TRUDEAU: Sure.

14 MS. ELLER: Okay. Then, there's also something in the  
15 schools now called "whole language."

16 MR. TRUDEAU: Uh-huh (yes).

17 MS. ELLER: And in that method, the teachers are told  
18 to surround the children with written information and read  
19 stories to the children that are repetitious and predictable.  
20 The children will memorize them. That's -- that's up your alley.

21 MR. TRUDEAU: Right, right.

22 MS. ELLER: And they will figure the system out on  
23 their own. And if they don't figure it out in first grade, don't  
24 worry about it. Pass them on to second grade. If they don't  
25 figure it out by fourth grade, pass them on to high school.



Complaint

125 F.T.C.

## EXHIBIT J

7

1           You see, what happens is, the children don't figure it  
2 out. I train teachers all over the country. I get calls to come  
3 into high schools where 90 percent of the kids in the high school  
4 cannot read their textbooks. They have not figured the system  
5 out on their own. And it's very simple to show them how the  
6 system works.

7           So, what will happen is, I will train the teachers. I  
8 will show the teachers how to teach reading. They will stop  
9 teaching subjects for six weeks, teach all the kids to read, then  
10 go back to their subjects, to their textbooks. It's that easy to  
11 correct.

12           But the problem is, the teachers are not being given  
13 the right information in their training. They don't have the  
14 right tools. It wouldn't matter how hard they worked; with the  
15 wrong information, they are not going to be able to teach the  
16 children to read.

17           So, to answer your question, how do they get all the  
18 way through, graduate --

19           MR. TRUDEAU: Yeah, right.

20           MS. ELLER: -- they get socially promoted right out the  
21 door.

22           MR. TRUDEAU: And they never learn how to read.

23           MS. ELLER: Last year, we graduated two-and-a-half  
24 million kids from high school, nationwide. One million of them,  
25 according to the United States Department of Education, cannot

## EXHIBIT J

8

1 even read their own diplomas.

2 MR. TRUDEAU: I -- that -- that -- it's incredible to  
3 me, because this must, obviously, dramatically, adversely impact  
4 these kids' self-esteem, self-confidence and income-earning  
5 ability, right?

6 MS. ELLER: It's also impacting all the rest of us.  
7 Because, you see, here's what happens. They're predicting -- the  
8 United States Department of Education -- they're predicting that,  
9 if we don't correct this problem --

10 MR. TRUDEAU: Uh-huh (yes).

11 MS. ELLER: -- by the Year 2000, we will have  
12 two-thirds of our nation that will be functionally illiterate.  
13 Now, how can the one-third of us who work and support all these,  
14 ah, subsidized programs --

15 MR. TRUDEAU: Right.

16 MS. ELLER: -- support the two-thirds who don't? We're  
17 heading for a big collapse.

18 Also, what you've got to realize is that illiteracy is  
19 the best form of censorship there is. You don't have to ban the  
20 books, you don't have to burn the books, if nobody can read the  
21 books.

22 You cannot be a participating member of this society  
23 unless you are literate.

24 MR. TRUDEAU: Now, that -- that -- that's a very  
25 interesting, ah, way to look it, from a political standpoint.

## EXHIBIT J

9

1 MS. ELLER: Absolutely.

2 MR. TRUDEAU: Now, let me ask you a question. You --  
3 you actually put together or -- or you have the teacher, on these  
4 audio tapes, called "Action Reading".

5 MS. ELLER: That's me.

6 MR. TRUDEAU: Okay, that's you. And tell me a little  
7 bit about that. How did you get involved? How did you start  
8 this?

9 MS. ELLER: Well, I actually have --

10 MR. TRUDEAU: I mean, you -- you seem very passionate  
11 about this whole program of reading.

12 MS. ELLER: Well, I absolutely am, because I have two  
13 little baby granddaughters that I do not want to grow up in the  
14 kind of society that I'm seeing today.

15 And what we're discovering is that a lot of the  
16 problems in society are caused by illiteracy. Eighty-five  
17 percent of the kids who go through juvenile court are illiterate.  
18 So, if you can't read, what are you going to do?

19 MR. TRUDEAU: Right.

20 MS. ELLER: What kind of a job are you going to get?

21 MR. TRUDEAU: Right.

22 MS. ELLER: You see -- and especially in this  
23 technological world. So, we have a real serious problem. And  
24 that's why I'm very passionate about it.

25 But I actually have two stories.

## EXHIBIT J

10

1 MR. TRUDEAU: Right.

2 MS. ELLER: My first story is a personal story.

3 MR. TRUDEAU: Uh-huh (yes).

4 MS. ELLER: Um, my first son, when he was five years  
5 old, started first grade. He was one of those December babies.

6 MR. TRUDEAU: Right.

7 MS. ELLER: Okay, he did not learn to read in school.

8 This was my firstborn. My most precious thing in the world. I  
9 trusted him to the public school.

10 MR. TRUDEAU: The public school system, okay.

11 MS. ELLER: And I was actually doing my student  
12 teaching that year. So, my little Patrick didn't learn to read.  
13 But they passed him to second grade. Couldn't read a word. So,  
14 I said --

15 MR. TRUDEAU: What -- what were they teaching?

16 MS. ELLER: They were teaching "Dick and Jane."

17 MR. TRUDEAU: "Dick and Jane."

18 MS. ELLER: Sight reading.

19 MR. TRUDEAU: Sight reading, okay.

20 MS. ELLER: Trying to get him to memorize --

21 MR. TRUDEAU: "Look-guess-say," right, okay.

22 MS. ELLER: -- memorize half a million words in English  
23 by sight.

24 MR. TRUDEAU: Right.

25 MS. ELLER: Absolutely impossible task.

Complaint

125 F.T.C.

## EXHIBIT J

11

1 MR. TRUDEAU: Right.

2 MS. ELLER: Okay, he cried, he was very upset, he  
3 didn't like school. Of course, he couldn't do anything.

4 MR. TRUDEAU: Right.

5 MS. ELLER: So, I said to him, as mothers do, you know,  
6 well, Patrick, we can work really hard all summer and Mommy will  
7 teach you to read. Or, next year, you can go back and start  
8 again in first grade.

9 So, he chose, of course, as Mommy intended, to start  
10 again. And that year, I put him in a classroom with a teacher  
11 that I knew was using intensive, systematic phonics. At the end  
12 of that year in first grade, he tested twelfth grade in reading  
13 level. There was nothing --

14 MR. TRUDEAU: Twelfth grade?

15 MS. ELLER: -- wrong my child. It was the method that  
16 the first teacher had used. She didn't have the right  
17 information.

18 But that's not the end of the story.

19 MR. TRUDEAU: Okay.

20 MS. ELLER: Okay. I have another son who's 15 months  
21 younger.

22 MR. TRUDEAU: Uh-huh (yes).

23 MS. ELLER: Okay. The next year, that son started  
24 first grade. And Patrick was now in second grade. So, first  
25 week of school, I get a call to come in to the school for a

