

Complaint

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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,

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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.

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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 known.

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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

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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

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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 so, 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, 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."

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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."

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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.

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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 addictions.

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.

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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.

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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

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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

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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.

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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

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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, 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,

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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

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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 program. Dr. Callahan's clients have paid up to \$600 to learn the very same techniques that you will learn in your video program for only \$27.95 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

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FEDERAL TRADE COMMISSION

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FTC MATTER NO.: 942-3278

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TITLE: JEANIE ELLER'S ACTION READING
TELEVISION INFOMERCIAL

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PAGES: 1 THROUGH 34

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

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EXHIBIT J

P R O C E E D I N G S

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

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

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

Jeanie, thanks for being my guest today.

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

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

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

MR. TRUDEAU: That's right.

MS. ELLER: I said, well, if I could do it straight through, I could. But most people wouldn't be able to go through 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

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EXHIBIT J

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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.

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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 is --

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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.

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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.

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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

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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 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 at it, from a political standpoint.

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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.

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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.

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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

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1 conference. And I'm thinking, what in the devil could he have
2 done the first week of school? I mean, you know --

3 MR. TRUDEAU: He's already in trouble, right?

4 MS. ELLER: -- you know, what can this kid have done?

5 So, I go in and the teacher says to me, "Has Mitch been
6 retained?" And I said, "No, why?" And she said --

7 MR. TRUDEAU: You mean, held back?

8 MS. ELLER: Yeah.

9 MR. TRUDEAU: Okay.

10 MS. ELLER: Why? And she said, "Well, he's so big and
11 he reads so well." I said, "Oh, really?" She said, "Didn't you
12 know he could read?" I said, "No." And I thought, yeah, right.
13 You probably handed him "Peter Pan" or "Peter Rabbit" --

14 MR. TRUDEAU: Sure.

15 MS. ELLER: -- or one of the stories that he has
16 memorized, which is what little children do. They'll memorize
17 those stories. And if you miss a word, boy, they catch you.

18 So I went home thinking, you know, this is what had
19 happened. And I said to him, "Mitch, can you read?" And he
20 goes, "Yup." And I said, "Well, read to Mommy."

21 MR. TRUDEAU: Yeah.

22 MS. ELLER: And I expected him to go in his bedroom,
23 get one of the stories I read to them at night. No. He --

24 MR. TRUDEAU: "Winnie the Pooh" or something, right?

25 MS. ELLER: Yeah. He reaches in the bookcase, he pulls

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1 out this book -- book by Pearl S. Buck, he opens it up and he
2 starts to read to me. And I said, "I didn't know you could read.
3 How did you learn to read?" And he goes, "Pat taught me." And I
4 said, "Whoa, whoa, wait a minute. Pat" -- and Pat was six --

5 MR. TRUDEAU: Right.

6 MS. ELLER: -- taught Mitch, who was five, to read.

7 MR. TRUDEAU: A six-year-old is teaching the
8 five-year-old.

9 MS. ELLER: And I said, "When did Pat teach you to
10 read?" And he said, "You know, Mom, every day he brings his
11 papers home. He erases them. We play school. And he "be's" the
12 teacher."

13 So, the six-year-old was erasing his materials and
14 teaching it over again to the five-year-old.

15 So, at that point, I said, Wait a minute. All the
16 stuff they've been telling me in the college of education --
17 about how half the kids can't learn to read, or a fourth of the
18 kids can't learn to read, or you have to do this, that, and the
19 other -- is baloney. If a six-year-old, with the right
20 information, can teach a five-year-old to read, then there's
21 something that they're not telling us in the college of
22 education.

23 MR. TRUDEAU: Well, is it because your children are
24 gifted? I mean, aren't there some kids just smarter --

25 MS. ELLER: They'd like to think they are. Both

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1 laugh.)

2 MR. TRUDEAU: Okay.

3 MS. ELLER: In fact, I have four, and they'd all like
4 to think that they're smarter than Mother. Actually -- actually,
5 they are. My children are smarter than I am. So, that's --
6 brings up a really good point, Kevin.

7 The children today are not dumb. That's not why half
8 of them can't read. That's not why half the American public is
9 illiterate. It is because we have changed the method we use in
10 the schools.

11 Now, to get to the other part of yours -- of your, ah,
12 question, why am I so passionate about this? Well, in 1974, I
13 was teaching school in Alaska. And every one of my first graders
14 could read the newspaper. They were writing letters to Congress.
15 They were writing letters to the soldiers in Vietnam, getting
16 back answers, writing again.

17 MR. TRUDEAU: Yeah.

18 MS. ELLER: Um, the superintendent came in and he said,
19 "Okay, there's no other teacher in all the 54 schools that are --
20 that's doing this. You're going to train all the teachers." And
21 I went, "Ah! Do you see those 47 boxes? I mean, every night I
22 dig in there to decide what I'm going to do. Come on, surely
23 there's a program that's already published that does what I do,
24 because it's not that unique. It's what good teachers have
25 always done. It's just teaching them the phonics, teaching them

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1 the comprehension and making it fun."

2 So, he finally said, "Okay. I'm going to send you
3 outside" -- that's what they call the rest of the United States -

4 -

5 MR. TRUDEAU: Right.

6 MS. ELLER: -- "outside of Alaska. And I want you to
7 look at every published program in America."

8 So, I looked. For three months, I visited schools all
9 over and I looked at every reading program that was being used in
10 the schools. And I found a program that was better than what I
11 did. It was called "Action Reading." It was developed by a high
12 school teacher in Newark, New Jersey, who was frustrated that
13 high school kids couldn't read.

14 MR. TRUDEAU: Right.

15 MS. ELLER: Moved down, grade by grade, developed this
16 program in first grade, and it was all reusable and it all fit in
17 one box. My husband loved it. Didn't have to move 47 boxes
18 anymore.

19 That is the program I took back. We started using it
20 in the Anchorage School District. Every child that went through
21 it learned to read. It was phenomenal.

22 And then what happened in my -- in my particular case
23 is, the principal came in at the end of the year and he said,
24 "Guess what, Jeanie, we have all these fifth and sixth graders
25 who didn't get "Action Reading" and they can't read."

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1 Next year, you have to teach those fifth and sixth graders."

2 Well, I found that I could do that in a semester,
3 instead of a whole year.

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

5 MS. ELLER: Then, the high school principal said,
6 "Guess what?"

7 MR. TRUDEAU: Guess what?

8 MS. ELLER: "We need to borrow her, because we have
9 kids in the high school who can't read."

10 MR. TRUDEAU: Yeah.

11 MS. ELLER: I found out you could do that in six weeks,
12 because the older the person --

13 MR. TRUDEAU: The quicker they can learn it.

14 MS. ELLER: Right.

15 MR. TRUDEAU: That's right.

16 MS. ELLER: The more they can absorb, plus they have
17 all the small motor skills. They've already got the -- the, ah,
18 auditory/visual connection. There's a lot of things that -- that
19 you develop --

20 MR. TRUDEAU: Right.

21 MS. ELLER: -- as you go along. And then I started
22 doing summer school and then summer camps, where I taught kids to
23 read in two weeks. And, eventually, I worked with Dr. Curatan,
24 the author of the "Action Reading," and we decided, because we
25 got so many calls from people saying, "I can't come to you. I

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1 can't afford your camp. I can't send my child."

2 MR. TRUDEAU: Right.

3 MS. ELLER: "What can you send me?"

4 MR. TRUDEAU: Right.

5 MS. ELLER: And they couldn't afford the school
6 program, even though it's very inexpensive and reusable, they
7 wanted something they could afford, something they knew would
8 work.

9 So, I racked my brain, I prayed. Finally, we decided
10 we'd do the home program, so we did it. With audio tapes, I do
11 the teaching on the tape.

12 MR. TRUDEAU: Right, right.

13 MS. ELLER: We have a video that helps people, gives
14 them an overview, shows them where we got our system of reading
15 and writing, our alphabet, the whole thing. Explains how the
16 whole thing works. And also shows them preschoolers and -- and
17 elementary children and high school kids and college kids and
18 senior citizens --

19 MR. TRUDEAU: Right.

20 MS. ELLER: -- who've learned to read with this
21 program.

22 And when you go through this program, you start at the
23 beginning and you take every logical step right through it. And
24 when you come out, you are a fluent, independent reader. And
25 I've put my 30 years of teaching credibility on the line. It

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1 absolutely is guaranteed to work.

2 MR. TRUDEAU: Well, if you're watching right now and
3 you do want information on the program, "Action Reading" -- it's
4 a home study course. It's fun and easy to go through. It just
5 takes a few short hours.

6 And what age level can go through it?

7 MS. ELLER: Well, parents can use it with preschoolers.

8 MR. TRUDEAU: Right.

9 MS. ELLER: Anyone eight and above can do it all on
10 their own.

11 MR. TRUDEAU: Eight and above can go through it, and
12 preschoolers with their parents.

13 Call the number on the screen if you want more
14 information on Jeanie's program. And we did work out a special
15 arrangement. You will receive a substantial discount if, you do
16 call today, on the program.

17 Now, let's talk about, you said, age levels. You
18 mentioned, as, ah, eight and above can go through it on their
19 own. There are other phonics programs on the market -- some of
20 them are really expensive -- and I thought some of them were
21 pretty good.

22 What's the difference between your phonics program and
23 some of the other ones that people may be familiar with?

24 MS. ELLER: Okay, there are -- there are some good
25 phonics programs out there that work, and some of them are being

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1 used in schools. And those programs are comprehensive.
2 Unfortunately, there have been a -- a number of
3 programs that have been made available to the public that are not
4 very comprehensive. They start out by teaching the -- the person
5 the names of the letters and the sounds, and then they go right
6 to -- well, open the workbook and read the sentences.

7 And that's, like, wait, wait, wait. How do I get from
8 just saying letter names and sounds to reading sentences?

9 So, they -- they have a big gap --

10 MR. TRUDEAU: Right.

11 MS. ELLER: -- missing.

12 MR. TRUDEAU: Okay.

13 MS. ELLER: So, they're not teaching the comprehension.
14 They're not act- -- actually teaching how the system of English
15 works. They're not teaching the whole systematic thing.

16 The program that I use, first of all, it's very
17 inexpensive. It's reusable. You -- you might need to get
18 another workbook, but everything else -- the tapes you can use
19 over with -- if you have other children in your family. You
20 know, if you want to share it with your church or --

21 MR. TRUDEAU: Right, uh-huh (yes).

22 MS. ELLER: -- something. Ah, the video, of course,
23 you can share with your friends and neighbors.

24 And the games are phenomenal, because they're actually
25 just drill. But the people playing them get so engrossed in just

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1 the game idea that they don't realize they're doing drill.
2 So, what -- what the difference is, is that we take
3 every step. First of all, we explain where we got our system of
4 reading and writing. And most teachers don't know this.

5 MR. TRUDEAU: Right.

6 MS. ELLER: They don't realize that those letters,
7 those symbols, come from pictographs. They actually represented
8 something. Like the "A" represented a bull, the head of a bull.
9 And then it became just the lines of that. And then, eventually,
10 the Phoenicians developed the alphabet. So, it changed from
11 being a meaning-bearing symbol to a sound-bearing symbol.

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

13 MS. ELLER: And that was the invention of the alphabet.

14 MR. TRUDEAU: Right.

15 MS. ELLER: And that's the concept that teachers are
16 not given. They don't realize that you can't memorize half a
17 million words by sight. You've got to learn that code.

18 And so, we explain all that and then we show them how
19 to put those sounds together. And we do not start by teaching
20 them the names of the letters. Everybody I've ever worked with,
21 whether they were little children or adults, already knows the
22 ABCs.

23 MR. TRUDEAU: Sure.

24 MS. ELLER: But A-B-C doesn't make a word. C-A-T does
25 not make a word. If I go C-A-T, C-A-T, C-A-T, you don't hear a

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1 word.

2 MR. TRUDEAU: Right.

3 MS. ELLER: But if I show you the sounds and go "Kuh-
4 aah-tuh" and you go left to right, because in English you can
5 only read left to right; you can't go right to left, like you do
6 in Hebrew.

7 MR. TRUDEAU: Right.

8 MS. ELLER: Then you go, "Kuh-aah-tuh" and the word
9 "cat" comes right out of your mouth. As it does with my little
10 granddaughter, who's only two-and-a-half.

11 MR. TRUDEAU: Two-and-a-half.

12 MS. ELLER: Two-and-a-half. She's already sounding out
13 words. But, see, what happened is, her mother and father did not
14 teach her the ABCs. When she looks at an "M", they don't call it
15 an "M". They call it the "Mommy" letter, "mah-mah-mah". And
16 there's the "Daddy", the "dah-dah-dah". And her letter is the
17 same as yours, the "kah-kah-kah" letter.

18 MR. TRUDEAU: Right, right.

19 MS. ELLER: So, she'll look at something and she'll go,
20 "dah-o-g". Grandma, that's dog. She doesn't go D-O-G, D-O-G, D-
21 O-G, because that doesn't make a word.

22 MR. TRUDEAU: Interesting.

23 MS. ELLER: So -- and -- and it isn't that she's the,
24 you know, the most brilliant child in the world. She's the most
25 beautiful, but she's not the most brilliant.

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1 But -- but, really, any child that you show them how
2 that code works, you can't stop them from reading. They crack
3 that code. And that code is the key.

4 When I taught the four illiterate adults to read in two
5 weeks for the Oprah Winfrey Show --

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

7 MS. ELLER: -- one of the ladies, the third day -- this
8 was a lady who was 30 years old. She had never learned to read.
9 She dropped out of school in eighth grade, when she was pregnant
10 with the first of six children. Just a tragic, tragic story.
11 Been on drugs. Been on welfare. Had her children removed.
12 Everything. Wanted desperately to learn to read, get her
13 children back, and had -- you know, had taken care of her drug
14 problem.

15 MR. TRUDEAU: Right.

16 MS. ELLER: The third day, she said, "Jeanie, I always
17 knew there was a secret code that nobody showed me."

18 You see, if you don't know that there's an alphabetic
19 system, if nobody shows you that, it is a secret.

20 MR. TRUDEAU: So --

21 MS. ELLER: If you don't know there's a simple way to
22 do it.

23 MR. TRUDEAU: So, now, you were on Oprah.

24 MS. ELLER: Yes.

25 MR. TRUDEAU: You were on a lot of other -- I know you

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1 do, what, 400 radio appearances a year, or something?

2 MS. ELLER: Oh, I've done about 1,500.

3 MR. TRUDEAU: Okay, radio shows and you've been on
4 television and written up in newspapers, the program.

5 But you're talking about this secret code. The
6 government says -- you were mentioning to me -- that teaches
7 certain kids just can't read, and you're saying that's hogwash.

8 MS. ELLER: It is. It's absolute hogwash. I've been
9 teaching for 30 years and I've never had anyone not learn to
10 read.

11 MR. TRUDEAU: Because I just watching a show the other
12 day on -- on -- on TV and they were saying, this guy's trying to
13 read. He's tried -- he tried a phonics program himself. He --
14 he still can't read. He's frustrated. He thinks he's dumb.

15 And they said -- they made the statement, the only way
16 he can read is by hard, hard work, and he still may never learn
17 how to read.

18 MS. ELLER: No, that is absolutely not true, and I hope
19 he's watching this show, because if he'll get this program, I
20 guarantee you he'll learn to read. I -- I know what you're
21 talking about.

22 What they do is, they start by teaching the person the
23 ABCs.

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

25 MS. ELLER: And then, they have them start memorizing

EXHIBIT J

24

1 sight words. Now, that's exactly what the "Dick and Jane"
2 methodology was based on, that you memorize four hundred of the
3 most frequently used words in first grade. That's called first
4 grade level of reading.

5 MR. TRUDEAU: Right.

6 MS. ELLER: By the time you get to sixth grade, you're
7 supposed to have memorized six -- ah, three thousand of the most
8 common words in English. That's called sixth grade-level of
9 reading.

10 Newspapers are now written at sixth grade level. They
11 use the same three thousand --

12 MR. TRUDEAU: Three thousand.

13 MS. ELLER: -- words over and over --

14 MR. TRUDEAU: Over and over, okay.

15 MS. ELLER: -- ad nauseam. Um, and half the American
16 people cannot read it. The problem is, adults start out and they
17 memorize maybe 15 words, maybe 100 words, maybe 200 words. But
18 they cannot pick up a newspaper and read anything --

19 MR. TRUDEAU: Right.

20 MS. ELLER: -- because there's always three or four
21 words in the sentence that they don't know what it means. And
22 what adults say to me is, it looks like the blank in his blank
23 are going to the blank --

24 MR. TRUDEAU: Well, isn't it --

25 MS. ELLER: -- because they don't know what those other

Complaint

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EXHIBIT J

25

1 words are.

2 MR. TRUDEAU: -- but isn't that vocabulary? Or is it -

3

4 MS. ELLER: No, no --

5 MR. TRUDEAU: -- different than from --

6 MS. ELLER: -- because if you -- if you tell them what

7 the words are, they know those words. They speak those words.

8 The people that I taught to read on the Oprah Show, as soon as

9 they could decode, decipher the newspaper, they knew those words.

10 They were articulate people. They spoke the language. They

11 understood the language. They just could not decipher the

12 language.

13 MR. TRUDEAU: So, they -- if you told them what the

14 word was, they knew the meaning.

15 MS. ELLER: Oh, yes. Many of them --

16 MR. TRUDEAU: But they just couldn't -- they didn't

17 know what the words said.

18 MS. ELLER: They couldn't decode it for themselves.

19 MR. TRUDEAU: Now --

20 MS. ELLER: So, that's the problem.

21 MR. TRUDEAU: -- now, is your program self-tutorial?

22 Because this is a big issue. A lot of people out there --

23 because I bought this program for my brother's son --

24 MS. ELLER: Uh-huh (yes).

25 MR. TRUDEAU: -- okay, because, you know, he's seven.

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Complaint

EXHIBIT J

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1 years old. I thought, he -- I want him to go, because he's going
2 to be eight. Well, if he can't go through it himself, at least I
3 know my brother will walk him through the program.

4 For an eight-year-old and above, can they go through
5 this program themselves?

6 MS. ELLER: Absolutely.

7 MR. TRUDEAU: Will they have fun doing it?

8 MS. ELLER: Absolutely. Because (both laugh) --

9 MR. TRUDEAU: Okay.

10 MS. ELLER: -- this program is multi-sensory. That's
11 why it's called "Action Reading". Because when Dr. Curatan first
12 started developing this, at first grade, first, he found out that
13 the children were all TV babies. That means, if you didn't show
14 them a picture, they didn't hear you.

15 MR. TRUDEAU: Right.

16 MS. ELLER: So, he had to work on their auditory
17 skills. So, the -- what we do with this program is, we get
18 people to understand that words are just sounds that you can put
19 together and take apart.

20 So, in English, we have 26 letters. We have 44 sounds
21 we use when we talk. And we have 70 ways to write down those 44
22 sounds. That's called the code. That's the alphabetic code. We
23 call them phonograms. Written forms of the sounds.

24 MR. TRUDEAU: Okay.

25 MS. ELLER: Okay. With those 70 phonograms, you can

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EXHIBIT J

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1 read anything in English. Now, when I first started this battle,
2 I call it now --

3 MR. TRUDEAU: Well, hold -- hold on one second before
4 you go on, because I want people to know, if you do want to call
5 and get information on Jeanie's program, which I highly
6 recommend, pick up your phone and call the 800 number that's on
7 the screen.

8 If -- if you want to read yourself. If you know
9 somebody -- ah, as I mentioned, I gave this to my -- my
10 brother's, ah, son, to learn how to read. And it's really the
11 most comprehensive, easiest, fastest way that anyone can learn
12 how to read.

13 MS. ELLER: Absolutely.

14 MR. TRUDEAU: Is this correct?

15 MS. ELLER: Absolutely, because it not only teaches the
16 decoding, the phonics part, it teaches comprehension. It teaches
17 the spelling patterns of English. And it teaches you penmanship
18 -- good, old handwriting.

19 MR. TRUDEAU: You know, I was just -- I was -- I get
20 notes in from, ah, people. They write things to me. And I look
21 and say, where do these kids learn how to write? They can't even
22 write.

23 MS. ELLER: We're not teaching handwriting in schools
24 anymore.

25 MR. TRUDEAU: Well, that -- there -- there's your

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EXHIBIT J

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1 answer.

2 MS. ELLER: And we also aren't teaching spelling in the
3 schools anymore, because they have a new philosophy that, if you
4 correct their spelling, you'll stifle their creativity; they
5 won't want to write.

6 MR. TRUDEAU: Um --

7 MS. ELLER: Sounds crazy to normal people, but that's
8 what teachers are being told.

9 MR. TRUDEAU: Is it -- does it -- now, if you learn how
10 to read. Let's take a child. Basically, if he becomes an
11 affluent -- how did you pronounce that? Af--?

12 MS. ELLER: Fluent, not affluent.

13 MR. TRUDEAU: Fluent, fluent.

14 MS. ELLER: Affluent is rich. (Both laugh.)

15 MR. TRUDEAU: Well, if they become fluent, will they
16 become affluent?

17 MS. ELLER: Well they have the ability then.

18 MR. TRUDEAU: But will -- but now -- now you know this,
19 because you've been in the teaching setting. If a child can read
20 -- and if a parent is watching right now, I guess you -- you told
21 me earlier, hey, ask yourself the question -- hand your child
22 something and see if they can read it.

23 MS. ELLER: Oh, absolutely. That is the most crucial
24 thing we -- we need to address. Because parents assume that,
25 because their children are in school -- they're trusting them to

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EXHIBIT J

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1 the schools like I trusted my little boys -- that they're
2 learning to read. That is not an assumption you can make.
3 What you must do is, today, as soon as this show is
4 over, sit down with your child, hand them something they have not
5 memorized, like today's newspaper, pick out a story in today's
6 newspaper that's suitable for the age of your child, if you can
7 find one --

8 MR. TRUDEAU: Right, right.

9 MS. ELLER: -- that isn't all blood and gore. And if
10 your child is in second grade or above, your child should be able
11 to fluently and independently read a story in the newspaper.
12 When they come to a word they've never seen --

13 MR. TRUDEAU: They should read it out loud to you.

14 MS. ELLER: Yes, absolutely, read it out loud.

15 MR. TRUDEAU: Out loud.

16 MS. ELLER: How else are you going to know they're
17 reading?

18 MR. TRUDEAU: Right, okay.

19 MS. ELLER: Okay.

20 MR. TRUDEAU: Honesty?

21 MS. ELLER: Okay. And accurately. See, when they come
22 to a word they've never seen, they should be able to sound it
23 out, then pick up their speed and go right on.

24 And then, the second most important thing is, if they
25 can do that --

EXHIBIT J

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1 MR. TRUDEAU: Uh-huh (yes).
2 MS. ELLER: -- then ask them comprehension questions
3 about what they just read. Who did it? Where did it happen?
4 When did it happen? Tell me in your own words what this story
5 was about.

6 According to the United States Department of Education,
7 in a document called, "What Works," the teaching of reading
8 should be taught in first grade with intensive, systematic direct
9 instruction of the phonetic system. It should be completed by
10 the end of first grade, second grade at the very latest.

11 And so, therefore, if your child is in second grade or
12 above, they should be able to fluently and independently read a
13 story in the newspaper.

14 Now, there's going to be a lot of people, Kevin, who
15 are going to find out their children can't do that. So, they've
16 got several choices. They can go to the school and say, what
17 method are you using?

18 MR. TRUDEAU: Right.

19 MS. ELLER: Are you having reading class after second
20 grade? Why are you doing that? Show me the research. Ah,
21 that's going to be a long, slow battle, because, I know, I've
22 been fighting it now for 20 years.

23 MR. TRUDEAU: Sure.

24 MS. ELLER: The best thing to do, the best way to solve
25 illiteracy in America, get yourself literate. Get yourself

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EXHIBIT J

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1 literate. Get your children literate. And then, start trying to
2 make changes in the bureaucracy.

3 MR. TRUDEAU: Now, if your child becomes this fluent
4 reader, be able to -- if it's first grade, second grade -- picks
5 up the newspaper, "Mommy, let me show you this," and reads this
6 thing fluently, out loud. If they can't do that -- and if they
7 could, they'll do better in school.

8 MS. ELLER: Oh, let me tell you what'll happen to them.

9 MR. TRUDEAU: They -- they -- go ahead.

10 MS. ELLER: They'll be in the top five percent in the
11 nation. Accord --

12 MR. TRUDEAU: That easy?

13 MS. ELLER: -- according to --

14 MR. TRUDEAU: You're saying that -- that easy?

15 MS. ELLER: It's -- well, you figure it out, okay?

16 You're a bright man. According to the United States Department
17 of Education, just five percent of our 17-year-olds can read at
18 an advanced level. This is also from "What Works." Okay, that's
19 one out of 20, right?

20 MR. TRUDEAU: Right.

21 MS. ELLER: All right. So, what we're saying is, 20 --
22 for every 20 kids who start first grade --

23 MR. TRUDEAU: So, the grades are going to go up?

24 MS. ELLER: -- one out of those 20 is going to learn to
25 read in school; 19 are not.

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EXHIBIT J

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1 MR. TRUDEAU: So, the grades will go up.
2 MS. ELLER: You'll be in the top five percent in the
3 nation.
4 MR. TRUDEAU: I bet you their self-esteem --
5 MS. ELLER: Oh --
6 MR. TRUDEAU: -- their self-confidence --
7 MS. ELLER: -- incredible what'll happen.
8 MR. TRUDEAU: They'll feel better about themselves.
9 Ah, SAT scores?
10 MS. ELLER: Oh, Alaska had -- I don't know what the
11 scores are for this year, but the last time I looked, Alaska had
12 the highest SAT scores in the nation.
13 MR. TRUDEAU: So, the SAT scores go up, they get --
14 they get into the college of their choice? If they get a good
15 education, if they come out, ah, the top five percent, they're
16 making more money. They get into the job of their choice.
17 MS. ELLER: Then they can be affluent.
18 MR. TRUDEAU: If some -- exactly. If they're fluent at
19 first, then affluent later.
20 MS. ELLER: You got it.
21 MR. TRUDEAU: If an adult is watching us right now and
22 they're at a certain income level, if -- you're telling me, if
23 they can learn to read and read fluently, they have a better
24 chance of in- -- making more money, of, ah, improving their own
25 rate of success in their own career.

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EXHIBIT J

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1 MS. ELLER: Absolutely. I had a man call me -- you
2 just made me think of this -- he had been a Vietnam Vet, stayed
3 in, went into the National Guard, couldn't read. Only his wife
4 knew he couldn't read. And anything he had to read, he would go,
5 "Oh, I forgot my reading glasses. What does it say?"

6 MR. TRUDEAU: Ah.

7 MS. ELLER: Or, he would take it home, have his wife
8 read to him -- because his wife knew he couldn't read -- he'd
9 come back.

10 He called me up. He was absolutely desperate. He was
11 getting a promotion and he had to read. It was a desk job. And
12 he said he'd gone to several places. They told him it was going
13 to take him two years, three years, six years to learn to read.
14 He said, "I don't have that kind of time."

15 MR. TRUDEAU: Right.

16 MS. ELLER: "What can you do?" I said, "Take this
17 program. I guarantee you, if you'll go through it, if you'll
18 start back at square one and go through this program, when you
19 finish, you'll be able to read anything".

20 He called me back in a month. He got his promotion.
21 He could now read anything. And that man was a new person. I
22 mean, you could hear it. You could hear it --

23 MR. TRUDEAU: You can hear it.

24 MS. ELLER: -- in his voice.

25 MR. TRUDEAU: Folks, if you're watching right now and

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EXHIBIT J

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1 you want more information on Jeanie's program, please call the
2 800 number. We highly recommend and endorse this program. I
3 bought it myself for my -- my brother's son. I think you'll see
4 some fantastic results for you and the children and the people
5 that you love.

6 This is Kevin Trudeau. Thanks again for watching me.
7 And watch me on another edition of "A Closer Look."

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EXHIBIT K

**ACTION READING
SUMMARY**About Jeanie Eller

- Her program is endorsed by The National Right to Read Foundation and The National Reading Reform Foundation!
- Nationally renowned teaching and reading expert
- 30 years of teaching experience
- Trains or Retrains teachers in "In Service Meetings"
- Has appeared on Oprah Winfrey's show

Side notes from Program

- 85% of all schools teach kids to read by sight
- 15% use phonics
- By the year 2000, two-thirds of our country will be illiterate (functionally disabled)!
- More than 1 million children each year graduate without the ability to read.

For Children

- Excellent home study program for preschoolers
- Children 8 and older can do the program on their own
- The audio cassettes are filled with songs and rhymes that hold their attention
- The video tape is fun for kids because Jeanie has FUN pictures on the flash cards that they like and they get to make lots of funny sounds that later translates into reading!
- Helps boost self esteem and confidence
- Gives kids an edge in school that makes it easier for them to excel
- Helps improves comprehension of materials read
- Helps enhance penmanship abilities
- Incorporates all of the learning senses through art, games, body movements, and music to create an active and entertaining experience that kids won't think is "work".
- Excellent for kids raised in homes where English is NOT spoken

EXHIBIT K

**ACTION READING
SUMMARY**

continued

For Adults

- Relieves embarrassment of not being able to read (newspaper, food labels, bus schedules, menus, job applications, etc.)
- Boost confidence and self esteem
- Can make a person more employable
- Easier and quicker for adults to learn, because most already know the vocabulary - they just need to learn how to "decode" written words and sentences.
- Other:
- Uses intensive systematic phonics (based on word sounds, not spellings)
- Most people can complete the entire program and learn to read within 4-6 weeks.

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EXHIBIT K

ACTION READING SCRIPT

Thank you for calling Action Reading my name is _____, and who and I speaking with?

Hi _____, are you calling about Fast Track Action Reading program?

[Caller] Yes I am.

Great! I can help you with that.

Is this for a child or an adult? (If a child) how old is he/she?

OK good! Jeanie's program can definitely help!

As a matter of fact it's endorsed by The National Right to Read Foundation and The National Reading Reform Foundation. Plus, it's backed by a 100% money back guarantee!

The key to Jeanie's proven approach is the use of all learning senses, through art, games, body movements and music to create an active, entertaining experience. And Jeanie not only teaches you how to read, but also comprehension and writing skills. The program includes over 9 hours of audio cassette tapes, a 100 page guide book, flash cards, 7 game boards and playing pieces, along with a bonus video tape. And the best part is the value. Normally, Jeanie charges schools \$1500 per day to learn about her proven methods. But you can take advantage the same information and receive the complete Action Reading program for just \$139.97, plus S&H. And Jeanie is so sure her program works, she offers you a full, three month, money back guarantee in writing. If for any reason you're not satisfied, simply return it for a full refund of the product purchase price - no questions asked! And all I need to get the program out to you is your address and credit card number - would you prefer to use Visa, Mastercard or Discover?

[Capture all information]

_____ your total including shipping and handling is \$152.47 and you'll receive your program in 2 - 4 weeks. If you have any questions you may call our customer service number at 1-800-634-2990. Thank you for calling and have a great day!

EXHIBIT K

**ACTION READING
TOP QUESTIONS AND ANSWERS**

-
1. **How can it improve comprehension?**
Even though we've heard a lot of words before in conversation, a person who can't read wouldn't recognize them. Action Reading teaches you how to read words for their meaning. (It's like putting a persons face to their name, when you have only spoken to them on the telephone.)
 2. **What age group can use this program?**
From pre-school to adults. Pre Schoolers may take 2 years to complete, while adults as little as 4 weeks.
 3. **Does it work for adults as well as children?**
Absolutely! Age has little to do with learning to read.
 4. **How does it compare to other programs? (i.e., Hooked on Phonics)**
Action Reading is less expensive and much more comprehensive. It actually teaches the skill of reading while incorporating all of the learning senses.
 5. **Can children use the course on their own?**
Children 8 years and up can complete the course on their own. We recommend that parents still monitor and assist.
 6. **Does Jeanie guarantee that she can teach anyone to read?**
Action Reading can teach anyone who can see, hear, think and talk to read...guaranteed or your money back!
 7. **Can a child with ADD learn to read with Action Reading?**
Action Reading is a multi-sensory, active program that can help keep a person's attention. It's unique, proven method incorporates all of the learning senses through art, games, body movements and music to create an active, entertaining experience that does not seem like work.
 8. **Is the course too child-like for an adult?**
Absolutely not! Even adults need to start from the beginning.

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EXHIBIT K

9. Is Jeanie still teaching seminars? How much are they?

Jeanie's in school training seminars are \$1500 per day. However, you can benefit from the same information, in the comfort of your own home, for only a fraction of the cost.

10. Can someone with Dyslexia learn to read with Action Reading?
Action Reading teaches left to right tracking and it explains how the skill of reading works.

11. Is there a lot of memorization?

No. Unlike the way most schools teach kids by memorizing thousands of words by sight A person only needs to learn the 70 unique sounds of the English language. This unique, proven method is based on word sounds, not spellings.

12. Will an adult complete the course the same way as a child?
An adult will complete the course exactly as a child would, however, they will likely complete it much easier and quicker.

13. How can this course help the mentally disabled?

It all depends on the degree of the disability. However, Action Reading is logically and systematically designed so that the student masters one step before moving on to the next. The parent or teacher can set the pace to match the student's learning abilities, and it can be completed over and over until the student masters the course. The program is structured yet fun, while praise and pride of accomplishment are built in.

14. How does it work?

Jeanie's proven, phonics based method incorporates all of the learning senses through art, games, body movements, and music to create an active and entertaining experience that doesn't seem like work.

Learning to read has been compared to cracking a code. Once you know the secret it's easy to decode a sentence. Action Reading teaches the sounds and patterns of our language and how to use them for decoding.

15. How long does it take to complete?

You can complete the course at your own pace and most students can complete the entire program within just 4-6 weeks.

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EXHIBIT K

16. Delivery time?

- 2 - 4 weeks for credit card orders
- 2 - 4 weeks for phone/mail checks
- 4 - 5 business days for Federal Express (CC orders only)

17. Shipping charges?

Regular forth class mail - \$12.50
Federal Express - \$9.50 extra

18. Caller wants to speak with Jeanie Eller or other Mega personalities.

They may write to Mega Systems at:

Mega Systems Inc.
Action Reading
PO Box 11031
Merrillville, IN 46410

19. What does the program contain?

- 6 audio cassettes
- Visual aid flash cards
- 7 game boards with playing pieces
- 100 page workbook
- Bonus video tape

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EXHIBIT K

QUESTIONS, OBJECTIONS AND REBUTTALS**Remember...**

People are not calling to figure out why they should buy, they are calling to figure out why not to buy!

1. I want to think about it

- Don't make your decision now, decide in a month or two after you/ your child have seen the results from the program. Jeanie is so confident that her program works she gives you a full three months to decide!
- What could be a better gift than the gift of reading? Once a child knows how to read, the sky's the limit!
- Why? What's your hesitation?
- Exactly, I wouldn't want you to base your decision on a 5 minute phone call. It wouldn't be fair to you or your _____ problem. Let's get this out to you so that you can base your decision on results - that way you can make an educated decision.
- Exactly! that's why Jeanie Eller gives you an entire three months. So that you can not only think about it, but you can experience the results that he guarantees, you will receive.
- What question do you still have _____ that's causing you to hesitate?

2. How much is the book?

- Let me tell you Mr./Mrs./Ms. _____ exactly what you will be receiving, your discount, and how it will benefit you. O.K.?

EXHIBIT K

3. Can you send me written information?

- Let me tell you Mr./Mrs./Ms. _____ exactly what you will be receiving, your discount for ordering today and how the Jeanie's program will benefit you. O.K.?
- I can give you all the information you need. What specifically would you like to know?
- I wish the literature told the whole story. In fact, it will probably raise key questions that I would be able to answer for you now. (NO PAUSE...ask probing question).

4. I need to speak with my wife or husband.

- That's exactly what Jeanie Eller wants you to do. She allows us to send the entire program to you, on a no risk basis - so that you and your wife can go through it together and really determine the value of the information and see how it can really benefit your family.
- Let's get this out to you so that you and your wife can review it together. Don't ask her to make a decision on the price, but on the information and the results. Remember you have a full three month money back guarantee.
- Why don't you talk with them right now. I can wait.

5 It's too expensive/ I'm on a fixed income/ I can't afford it.

- Three-pay- What if I could get the entire program out to you for just \$46.65 a month for three months; would that be better for you?
- If this can help you _____, wouldn't it be worth reviewing?
- Would you be using a credit card to place your order today? Great then what I'll be able to do is to put you on our 3 pay plan, and your last name is ?
- _____ I'm sure you would agree that a product is worth what it does for you. Let's explore what benefits Action reading offers you.

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EXHIBIT K

- If I could demonstrate how Action Reading would be worth every penny we're asking, you would be willing to take advantage of what we're offering today, right?
- _____ The value of Action reading is what it will do for you, not what you have to pay for it, right?
- Price is an important consideration, isn't it? Would you consider value equally important? Let me tell you about the value of our products.
- I can appreciate your situation and that's why Jeanie Eller offers you an easy 3 payment plan so you can still take advantage of the discount today. By using the 3 pay plan Jeanie Eller's program becomes more affordable and best of all, there are no financing fees or added costs. Let me give you a breakdown of the payments so we can get this right out to you?

6. I'm not interested.

- May I ask why?
- _____ What result would make the price worth it in your opinion?

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EXHIBIT K

HOW TO EXPLAIN THE 3 PAY PLAN

I can appreciate your situation, and that's why Jeanie offers an easy 3 pay plan, so you can still take advantage of her proven program. By using the 3 pay plan her program now becomes easier to own, and best of all, there are no financing fees or added costs. Let me give you a breakdown of the payments so we can get this out to you OK?

Your payments will be split up with the first payment consisting of 1/3 of the product price plus applicable shipping charges. The second and third payments consist of two equal payments of the remaining 2/3 of the product price. That breaks out to:

<u>1st Payment</u>	<u>2nd Payment</u>	<u>3rd Payment</u>
\$59.15	\$46.65	\$46.65

DOESN'T HAVE A CREDIT CARD

Do you have a checking account?

YES

Great! A lot of people like yourself are not using credit cards, that's why Jeanie offers you check by phone, so that you can still take advantage of the discount today. Go ahead and get your checkbook and I'll walk you through the process.

- (Name) may I have your address?
- And your daytime telephone number with area code first?
- May I have the name of your bank?
- And the city and state that your bank is located in?
- May I have the check number located in the upper right hand corner of the next check in your checkbook?
- There is a long series of numbers on the bottom of that check. Will you please read all of them to me starting from left to right? Please read just the numbers and not the symbols. Make sure you do not leave any numbers out.

Great! (Name) your total including shipping and handling is \$152.47 and you will receive your program in 2-4 weeks. If you have any questions you may call our customer service number at 1-800-634-2990. Thank You for calling and have a great day!

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EXHIBIT K

WANTS MORE INFORMATION ON CHECK BY PHONE

(Name) when you send a check to a company they use the information off the front of the check to process it, well that same information is what we are now able to process by phone. With the bank name, the check number and the numbers off the bottom of the check we'll be able to secure your order today, and expedite it right away.

Also, (Name) what you can do is contact your bank and let them know that you have given Mega Systems the authority to put check #____ through for a one time charge of \$____ not a penny more or less. This way you can be assured that you still have control of your account O.K.?

**WILL NOT USE CHECK BY PHONE
DOES NOT HAVE CHECKING ACCOUNT**

Let me send you an invoice with a postage paid return envelope for your convenience.

If you have any questions you may call our customer service number at 1-800-634-2990.

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EXHIBIT L

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FEDERAL TRADE COMMISSION

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FTC MATTER NO.: 942-3278

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13

TITLE: HOWARD BERG'S MEGA READING
TELEVISION INFOMERCIAL

14

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PAGES: 1 THROUGH 31

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TRUDEAU COMPLAINT EXHIBIT L
TRU-VANTAGE COMPLAINT EXHIBIT A
BERG COMPLAINT EXHIBIT A

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EXHIBIT L

1 MR. TRUDEAU: Thanks for watching. I'm Kevin Trudeau,
2 and this is another edition of Vantage Point. How would you like
3 to read 25,000 words a minute? How about reading an entire book
4 just like this in about twenty minutes instead of ten hours?
5 Imagine reading a newspaper or magazine in a fraction of the time
6 it would normally take. Well, my guest today can do just that as
7 well as comprehend and remember everything. Howard Berg is the
8 world's fastest reader. He's in the Guiness Book of World
9 Records. He's the founder of the Berg Reading Institute and
10 author of Mega Reading. He's been featured on virtually
11 thousands of radio and television shows as well as written about
12 in literally hundreds of newspapers and magazines all around the
13 world. Howard, thanks for being my guest today.

14 MR. BERG: Well, it's great to be here, Kevin.

15 MR. TRUDEAU: OK, you take a book like this, and how
16 long would it take you to read it?

17 MR. BERG: Well, top speed, five or six minutes.

18 MR. TRUDEAU: Five or six minutes.

19 MR. BERG: I've been tested. I was on "Regis and
20 Kathie Lee," and they gave me a book about that size.

21 MR. TRUDEAU: This would be a great book to read, by the
22 way, for somebody, obviously Warren Buffet is the world's
23 greatest investor.

24 MR. BERG: Yes, and they had me read a book, and they
25 told me I was going to talk about the book, but they changed the

EXHIBIT L

1 game when I got there. Instead, they had the author come on as a
2 surprise to test me and see me if I had really learned the book.
3 And I got every question right, by not just reading it, but
4 retaining and comprehending and focusing.

5 MR. TRUDEAU: Now this was on "Regis and Kathie Lee,"
6 and the book was about, how long a book was it?

7 MR. BERG: Between 240 and 300 pages.

8 MR. TRUDEAU: And how long did it take you to read that
9 book?

10 MR. BERG: I read it like four times, so it took twenty
11 minutes. I was memorizing, I wasn't reading, I was memorizing it
12 for a test.

13 MR. TRUDEAU: Wait a minute, let me make sure I got
14 this straight. You took a book, it took you twenty minutes to
15 read it four times, to memorize it. Now, here's the question.
16 Obviously, you're the world's fastest reader. You're in the
17 Guinness Book of World Records. Is this something that everybody
18 can do, or is it just a gift that you have?

19 MR. BERG: Let me tell you, someone else asked me that
20 question. I was in Canada, and Dini Petty who's a national talk
21 show host in Canada said the same thing. She said, "Howard, it
22 sounds too good to be true that anyone could do it." I said,
23 "Dini, how about you pick a few audience members, and you and
24 them come to my workshop in Toronto, and we'll see what happens."
25 So Dini and her audience showed up. One of them was a student.

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1 one of them was a professional. Dini forgot her glasses, so
2 someone had to run back and get them. It's good to have your own
3 talk show. And at the end of the workshop, Dini had slightly
4 doubled, and the two other people were close to quadrupling their
5 reading speed.

6 MR. TRUDEAU: That workshop is just a couple hours.

7 MR. BERG: Less than four hours. And they went on
8 national television in Canada. And Dini went on the air and
9 says, "Howard's really onto something. I think everyone in
10 Canada should be using this." And then off the air, she came up
11 to me, and she said, "I have a son, and I wanted to know if the
12 next time you're in Toronto, could my son please come to your
13 workshop, because I think every child should be getting these
14 skills. Because I know how much they helped me."

15 MR. TRUDEAU: So now your course actually releases a
16 person's natural ability to speed read.

17 MR. BERG: And it's easy, it's fun, and it's
18 systematic.

19 MR. TRUDEAU: We're going to test you right now. I
20 have over here, by the way, stacks of books, and we're going to
21 test Howard. The first book I have is by Jerry Spence, How To
22 Argue And Win Every Time, Jerry Spence. I love this guy, by the
23 way, he's fantastic. And I'm going to give you a little portion
24 of this book, Howard, and I want you to read it. We're going to
25 time Howard and see how fast it's going to take him. Then I'm

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EXHIBIT L

1 going to quiz him. This is an easy one, we'll start off as an
2 easy one. It's just about the author. A great book, it's about
3 the author. OK, now hold on, here's the page, put your finger in
4 there, don't open it yet. OK, now hold on because I'm going to
5 time you with my stopwatch. OK, ready?

6 MR. BERG: Yes

7 MR. TRUDEAU: Go.

8 MR. BERG: Good

9 MR. TRUDEAU: About --- little over four seconds.

10 MR. BERG: I haven't warmed up yet.

11 MR. TRUDEAU: Four seconds?. OK, now give me the book.

12 MR. BERG: OK

13 MR. TRUDEAU: Now you've read that?

14 MR. BERG: Yes, I have.

15 MR. TRUDEAU: OK. Well, I'm going to test you on a
16 couple questions on this thing.

17 MR. BERG: No problem.

18 MR. TRUDEAU: All right. First thing -- now, by the
19 way, I went through these books that I'm going to be giving
20 Howard and it took me eight hours yesterday. Because I went to
21 the book store, bought a whole bunch of books, and I said I'm
22 just going to buy random books and we're going to test you.

23 Okay.

24 Now, it talks about in here the different people that
25 he was the defense attorney for.

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MR. BERG: Yes, it did.
MR. TRUDEAU: Give me a couple of the people.
MR. BERG: There were two. There was Randy Weaver
MR. TRUDEAU: Right.
MR. BERG: And Imelda Marcos.
MR. TRUDEAU: Correct. Where does he live?
MR. BERG: Jackson Hole, Wyoming.
MR. TRUDEAU: Correct. And he has a wife? What's his
wife's name?
MR. BERG: Emma Jean.
MR. TRUDEAU: Correct. Emma Jean.
MR. BERG: Yes.
MR. TRUDEAU: All right. Hold on, we're going to --
MR. BERG: A little slow.
MR. TRUDEAU: Well, a little slow. Okay. We're going
to make it a little bit tougher now. Here's an other book.
Here's another book. Math Magic by Scott Flansburg. Scott is a
good friend of mine. We're going to have Scott on the show.
He's the human calculator.
Now, this book teaches you how to do math calculations
in your head. Now, this is going to be a good test, folks. Now
-- because imagine this. What -- the techniques -- the
technology that Howard has -- Howard has that he teaches people
is how to read books and obviously knowledge is power but only if
you can remember it and use it.

EXHIBIT L

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1 MR. BERG: And apply it.
2 MR. TRUDEAU: And apply it. Okay. So, I'm going to
3 give you a chapter. This is the entire chapter seven.
4 MR. BERG: Okay.
5 MR. TRUDEAU: I'm going to time you.
6 MR. BERG: Okay.
7 MR. TRUDEAU: Let's get this cleared out here. And
8 this is on multiplication tricks.
9 MR. BERG: Okay.
10 MR. TRUDEAU: You're going to read this. And then I'm
11 going to test your multiplication skills because this is going to
12 teach you how to do multiplication in your head.
13 MR. BERG: Do I get to use a calculator?
14 MR. TRUDEAU: No calculator.
15 MR. BERG: Okay.
16 MR. TRUDEAU: Okay. All right, hold on. Hold on, I'm
17 going to time you. I'll say go. Ready, set, go.
18 (Whereupon, there was a brief pause while Mr. Berg was
19 reading the book.)
20 MR. BERG: Okay.
21 MR. TRUDEAU: Twenty four seconds. Twenty four and a
22 half seconds.
23 MR. BERG: There was a lot of pages.
24 MR. TRUDEAU: A lot of pages. Now, you're telling me
25 you read that?

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EXHIBIT L

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1 MR. BERG: I learned it.
2 MR. TRUDEAU: You learned it?
3 MR. BERG: Yes, and so could you. That's the whole
4 point.
5 MR. TRUDEAU: All right. Well, let me test you on
6 this. This is on multiplication -- it's on multiplication
7 skills. Okay?
8 MR. BERG: Okay.
9 MR. TRUDEAU: Let me give you a couple of
10 multiplication tables here. Okay. 45 times 45?
11 MR. BERG: That would be 2,025.
12 MR. TRUDEAU: You just did that in your head?
13 MR. BERG: That's right. It teaches you how to do it.
14 That's the whole point.
15 MR. TRUDEAU: You don't have a calculator here by the
16 way? Can we -- Paul, make sure we get that -- I want to make
17 sure someone gives me a thumbs up if that's the right answer.
18 Let me give you another one here.
19 MR. BERG: It's right. Okay.
20 MR. TRUDEAU: 75 times 75?
21 MR. BERG: 5,625.
22 MR. TRUDEAU: I want Paul to make sure -- give me like
23 some -- we got a thumbs up there? He's right.
24 MR. BERG: Of course I'm right.
25 MR. TRUDEAU: And you learned that just now?

EXHIBIT L

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1 MR. BERG: That's the whole point, Kevin. It's
2 something everyone should be doing. You know, the United States
3 has been rated in 49th position in literacy by the United
4 Nations. I think all our viewers should be concerned. They just
5 had a front page story in USA Today about how our education
6 system is failing to teach the students.

7 MR. TRUDEAU: Uh-huh.

8 MR. BERG: Time Magazine talked about the educational
9 crisis. Even the teachers unions are becoming concerned.
10 Governor Bush has just made the most highest priority in his
11 second term of office is teaching reading skills, because 25
12 percent of the children in Texas don't know how to read. This is
13 what it's about.

14 I teach children not just how to read faster but to
15 comprehend, retain and stay focused. Because face it, how many
16 times have you or the people at home take a test or gone to an
17 important meeting and got tense. You got frightened. You got
18 worried. And all that information that you stored and worked so
19 hard at learning was forgotten.

20 So, Mega Reading is a complete accelerated learning
21 system that doesn't just teach you to read quickly.

22 MR. TRUDEAU: Right.

23 MR. BERG: On a skimming level.

24 MR. TRUDEAU: Right.

25 MR. BERG: But to comprehend, apply and use it. Even

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EXHIBIT L

1 under test situations.

2 MR. TRUDEAU: And it just takes a few short hours to

3 learn. Correct?

4 MR. BERG: Couple of hours. That's it.

5 MR. TRUDEAU: Now, let me ask you a question. There's

6 been speed reading courses been around for years.

7 MR. BERG: That's true.

8 MR. TRUDEAU: Evelyn Wood is probably the most common

9 and I'm sure there's dozens of other speed reading courses.

10 MR. BERG: Yes, and some of them are quite good.

11 MR. TRUDEAU: But the biggest challenge most people

12 found is, number one, it took days, weeks, months of practice and

13 training.

14 MR. BERG: Absolutely. Hours a day.

15 MR. TRUDEAU: Right.

16 MR. BERG: With days, weeks and months. It's not just

17 days, weeks, and months, but hours a day each of those days.

18 MR. TRUDEAU: So, how is yours different than those in

19 that respect?

20 MR. BERG: First of all, the program takes less than

21 four hours to learn.

22 MR. TRUDEAU: That's it?

23 MR. BERG: That's it.

24 MR. TRUDEAU: One time?

25 MR. BERG: One time.

EXHIBIT L

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1 MR. TRUDEAU: Like learning how to ride a bike.
2 MR. BERG: And you never forget how once you know how.
3 Once you release it, it's there.
4 MR. TRUDEAU: You're releasing someone's ability. So,
5 it's radically different than these other courses.
6 MR. BERG: Can you cross the street and look at the
7 traffic and know where you're going? Look at all the information
8 that your brain has to process in an instant. That same brain
9 should be reading a book just as effortlessly and that's what I
10 teach.
11 MR. TRUDEAU: Well, now -- so, these other courses that
12 have been out there, your program is a revolutionary -- it's
13 totally different.
14 MR. BERG: Let me tell you a story, Kevin.
15 MR. TRUDEAU: Yeah.
16 MR. BERG: The former president of Evelyn Wood, the
17 chairman of Evelyn Wood is Maurice Thompson, Jr. I have a letter
18 from him.
19 MR. TRUDEAU: Right.
20 MR. BERG: Tommy asked me to train him and his family
21 last September. The former president of Evelyn Wood asked me to
22 train his family. Now, this is the man who knows speed reading.
23 MR. TRUDEAU: Right.
24 MR. BERG: His son quadrupled -- I think he went from
25 two to 860 words a minute in less than four hours. And he

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EXHIBIT L

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1 mentioned how his grades immediately shot up from the previous
2 term. And would you like to read the comment he has on the
3 bottom. I'm really proud of this. This is the former president
4 of Evelyn Wood.

5 MR. TRUDEAU: It says, I feel you have moved one step
6 beyond speed reading --

7 MR. BERG: That's right.

8 MR. TRUDEAU: -- to speed learning. Bringing the
9 discipline to the 21st first century.

10 MR. BERG: Exactly. Now, I'm proud of that.

11 MR. TRUDEAU: So, what you're actually have is really a
12 revolutionary break through in what you've developed.

13 MR. BERG: Totally different. Now, other programs were
14 mechanical. That's why they took so long. They required
15 repetition. Like learning to type or playing an instrument, to
16 work.

17 MR. TRUDEAU: Right.

18 MR. BERG: And a lot of people found they loss their
19 speeds almost as quickly as they gained them.

20 MR. TRUDEAU: Right.

21 MR. BERG: I read 80 to 90 pages a minute at my top
22 speed. But I don't read 80 to 90 pages a minute every time I
23 open a book. Sometimes I want to relax. Sometimes I'm a little
24 tired, I want to read in bed.

25 MR. TRUDEAU: Right.

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EXHIBIT L

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1 MR. BERG: So, I have that option. With the other
2 programs because it was conditioned, it was all or nothing. If
3 you slowed down, that was the end of your speed. And most people
4 told me they only got a very superficial understanding, like a
5 skim.

6 I'm working with companies like Pfizer (Phonetic),
7 Mobil Oil, that have high tech reading. And they used it because
8 it was easy to retain complicated information. "

9 MR. TRUDEAU: So, even the detailed complicated
10 material, people can read quickly and grasp it and comprehend it
11 and recall it.

12 MR. BERG: Over long periods of time.

13 MR. TRUDEAU: Now, how about students? Means straight
14 As with less study time?

15 MR. BERG: Not only do they get straight As with less
16 study time, but think about this, Kevin, they get better self
17 esteem. They begin to feel confident. Now, you spend over
18 15,000 hours when you go to school.

19 MR. TRUDEAU: Right.

20 MR. BERG: Think about that. And out of all of those
21 hours and the people at home think about it, too, how many of
22 those hours did they spend teaching you how to learn?

23 MR. TRUDEAU: Right.

24 MR. BERG: They call it an education system and they
25 never even teach you how to learn.

Complaint

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EXHIBIT L

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1 MR. TRUDEAU: And people obviously in business because
2 you work with virtually dozens of major corporations and Fortune
3 500 companies.

4 MR. BERG: All over the country.

5 MR. TRUDEAU: So, people can make more money because
6 there's so much material to learn today, so much reading that
7 people have to grasp.

8 MR. BERG: I have an interesting letter here from
9 Pfeiffer. Pfeiffer is the leading publisher in the world on
10 human resource training materials.

11 MR. TRUDEAU: Okay.

12 MR. BERG: Every corporate trainer has heard of these
13 people.

14 MR. TRUDEAU: Right.

15 MR. BERG: They hired me to train their editors not
16 only in how to speed read but how to make books easier to
17 comprehend, because my program teaches people how to understand
18 text.

19 MR. TRUDEAU: Right.

20 MR. BERG: Not just blur through it.

21 MR. TRUDEAU: Right.

22 MR. BERG: And the head editor -- the managing editor
23 says here that this program that I gave him gave him a distinct
24 advantage to their publishing program.

25 MR. TRUDEAU: Hmm.

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EXHIBIT L

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1 MR. BERG: That's the managing editor of the world's
2 largest human resource publisher. Here's a letter from the York
3 Prep School. The head master is Ronnie Stewart. He's an Oxford
4 graduate. This man knows education.

5 MR. TRUDEAU: Right.

6 MR. BERG: You don't get better than Oxford. And
7 here's what it says. "Howard, just a note to let you know how
8 positive the feedback was of your lectures to the 11th and 12th
9 grades. So positive in fact, that whenever it's convenient for
10 you, I would love -- I like that word -- I would love for you to
11 come and do the ninth and tenth grades on a similar basis." And
12 we've already booked them.

13 ON SCREEN: For more info call: 1-800-283-9666. This
14 is a paid commercial program for Tru-Vantage International.

15 MR. TRUDEAU: That's great. Folks, if you want more
16 information on Howard's program, Mega Reading program, it's a
17 home study course that you can go through at your leisure and it
18 will virtually release your own super reading speed, mega
19 reading. You'll be able to read almost as fast as Howard.
20 Virtually quadruple, five, ten times your reading speed right
21 now. Call the number on your screen. And I've worked out a
22 special arrangement with Howard. He'll give you an over 50
23 percent discount off the regular price of the program. So, call
24 right now to get some more information on it.

25 Now, let's -- let's continue with the testing here. :

Complaint

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EXHIBIT L

15

1 got another book. How to Win Friends and Influence People by
2 Dale Carnegie. Great book. Everybody should read this book.
3 Now, let's see. I went through this last night and I got chapter
4 six. I want you to read the entire chapter six and give us a
5 quick synopsis of the chapter.

6 Okay. Now, I'm going to time you again. And folks,
7 the important thing is what Howard is saying is every single
8 person -- now, you've taught how many -- what thousands and
9 thousands of people?

10 MR. BERG: Thousands. Can I say something?

11 MR. TRUDEAU: Yeah.

12 MR. BERG: I have a letter here from a girl who has
13 brain damage.

14 MR. TRUDEAU: Right.

15 MR. BERG: Brain damage. She was in a car accident and
16 half her brain stopped functioning. It was electrically dead.

17 MR. TRUDEAU: Right.

18 MR. BERG: And she writes. It says that on a coffee
19 break in my word shop, she went three to 600 words per minute.
20 This is someone with severe brain damage. So yes, it works for
21 anyone. And you can't get worse than that.

22 MR. TRUDEAU: At what age, by the way? How old?

23 MR. BERG: The youngest student I ever had was eight.
24 I was in Toronto. I was doing a live workshop and the vice
25 principle of a school was there with his wife. His name was Ted

EXHIBIT L

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1 Ted said, "Howard, we would really love for you to come to our
2 elementary school. My wife and I just quadrupled."

3 MR. TRUDEAU: Right.

4 MR. BERG: And we think you can do this for our kids.
5 I said, how old are they? He said third, fourth grade. I said,
6 it's kind of young. Normally, in that age group I teach the
7 memory and learning skills. And I've done that all over the
8 country because a lot of kids aren't reading yet at that age.

9 MR. TRUDEAU: Right.

10 MR. BERG: He said, our students are reading and
11 reading well. Let's try it. I said, fine. And the parents
12 came. How many things did parents do today with their families?

13 MR. TRUDEAU: Right, right, right.

14 MR. BERG: Okay. At the end of the workshop, every
15 child and parent had at least doubled except for one.

16 MR. TRUDEAU: Uh-huh.

17 MR. BERG: That child was reading at five seconds a
18 page and I quizzed her.

19 MR. TRUDEAU: Five seconds.

20 MR. BERG: Five seconds a page. And the vice principal
21 was there.

22 MR. TRUDEAU: And they're reading it?

23 MR. BERG: Comprehending it and retaining it.

24 MR. TRUDEAU: All right. Well, we're going to test you
25 right now. Okay, this is chapter six.

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EXHIBIT L

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1 MR. BERG: Okay.
2 MR. TRUDEAU: Dale Carnegie's How to Win Friends.
3 Ready?
4 MR. BERG: Yes.
5 MR. TRUDEAU: Go.
6 (Whereupon, there was a brief pause while Mr. Berg was
7 reading the book.)
8 MR. TRUDEAU: This is amazing. You're reading it?
9 Okay, give it back. That was about 16 seconds.
10 MR. BERG: Right.
11 MR. TRUDEAU: Okay. Now, tell us -- just give me a
12 quick synopsis of that chapter.
13 MR. BERG: Well, the concept was make people feel
14 important and do it sincerely. And by the way, Kevin, you're
15 doing an excellent job with this show and I really mean that.
16 MR. TRUDEAU: Thank you very much. Okay, wait --
17 you're -- the name of that chapter by the way was, How To Get
18 People To Like You.
19 MR. BERG: By the way, one of my favorite uses of speed
20 reading is learning new skills such as I just showed you.
21 MR. TRUDEAU: Right.
22 MR. BERG: Learning how to use a computer or do better
23 with relationships. So, this -- (inaudible) -- anything.
24 MR. TRUDEAU: To learning anything. Tell us a little
25 about that chapter.

EXHIBIT L

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1 MR. BERG: Okay, it starts off he's in a post office
2 and he see's a postal employee that he's familiar with and the
3 guy looks very very depressed and down. And he starts talking to
4 the guy and finds out the guy feels that nobody really
5 appreciates what he's doing.

6 MR. TRUDEAU: Uh-huh.

7 MR. BERG: And so, he starts telling the guy how
8 important he is and how much he appreciates him. And the guy
9 just perks up and he says that's what it's all about. You want
10 people to like you. Let them know how important they are and it
11 improves their self esteem. And they relate that to you as the
12 cause.

13 MR. TRUDEAU: Uh-huh. Now, what -- there was a
14 principle discussed in this.

15 MR. BERG: Yes, the principle was make people feel
16 important and be sincere.

17 MR. TRUDEAU: Make people feel important and -- now,
18 you just said almost verbatim. It says make people feel
19 important and do it sincerely.

20 MR. BERG: Well, you may not get every word. You know,
21 when you're going a page and a half a second, you might miss an L
22 Y. Okay.

23 MR. TRUDEAU: And actually -- wait a minute. Wait, we
24 got to do another book now.

25 MR. BERG: Okay.

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EXHIBIT L

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1 MR. TRUDEAU: This book by the way, this is my book.
2 This is my book, Kevin Trudeau's, Mega Memory. Everybody should
3 read this book. Everybody go out and get this book. It's my
4 book Mega Memory. Now, it's the first -- you know we sold three
5 and a half million copies of my Mega Memory program.

6 MR. BERG: That's a lot.

7 MR. TRUDEAU: Yeah, and this is a great book. Just
8 says published by William Morrow. It's in all the book stores.
9 Call, you can get it.

10 MR. BERG: Now, make the call.

11 MR. TRUDEAU: Now, make the call now. Now, I want you
12 to read just chapter one.

13 MR. BERG: Okay.

14 MR. TRUDEAU: On how to use this book, and then give us
15 a quick synopsis on this. Not that we don't trust you. Go.

16 (Whereupon, there was a brief pause while Mr. Berg was
17 reading the book.)

18 MR. BERG: Okay, that's 11 pages.

19 MR. TRUDEAU: About 16 seconds.

20 MR. BERG: Okay. And I'm getting closer to my speed.

21 MR. TRUDEAU: And you read this? You read this?

22 MR. BERG: Yes. It's first -- it sets the ground
23 rules.

24 MR. TRUDEAU: And anybody who gets this course from us
25 can do what you just did?

EXHIBIT L

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1 MR. BERG: Thousands of people are doing what I just
2 did.

3 MR. TRUDEAU: All right, tell me about the book. I
4 know all about it because I just wrote it.

5 MR. BERG: Okay. I guess you would know. This is like
6 Regis and Kathy Lee all over.

7 MR. TRUDEAU: Yeah, the author. Exactly. Okay.

8 MR. BERG: Well, it starts off talking about what you
9 should do to develop your mega memory, about setting up a
10 specific time and place to do it, avoiding certain foods, how
11 much time you should be doing, how to prepare yourself. And
12 that's essentially what the first chapter is about. Getting set.

13 MR. TRUDEAU: Now, there was four things I mentioned.
14 The four steps you go through.

15 MR. BERG: Yes, there were. Let me think. First there
16 was unconscious incompetence, where you don't know what you're
17 doing.

18 MR. TRUDEAU: Right.

19 MR. BERG: You don't even know you don't know what
20 you're doing.

21 MR. TRUDEAU: Right.

22 MR. BERG: The second one was conscious incompetence,
23 where you know you don't know what you're doing.

24 MR. TRUDEAU: Right, right.

25 MR. BERG: Okay. And the third one -- the third one

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1 was conscious competence, where you know what you're doing
2 but you have to think about it. Sort of like when you're riding
3 a bike and you know you have to think how to stay on the bike.

4 MR. TRUDEAU: Right.

5 MR. BERG: And the fourth step was unconscious
6 competence, where it's at released skill and you're doing
7 instinctively. You don't have to think about it.

8 MR. TRUDEAU: That's the point I want to talk about.
9 Because your course gets people very quickly to that unconscious
10 competence level where it happens automatically.

11 MR. BERG: In hours. In hours.

12 MR. TRUDEAU: So, it's like learning how to ride a bike
13 or learning how to swim. You don't have to practice and practice
14 and practice. You're just releasing the skill.

15 MR. BERG: No. I have a story about that.

16 MR. TRUDEAU: Hold on for one second because I want to
17 tell people how to get this program.

18 MR. BERG: Okay. Okay.

19 MR. TRUDEAU: If people do want more information on
20 Howard's program The Mega Reading Home Study Course -- folks,
21 this works for everybody. Thousands of people have gone through
22 it. I highly endorse and recommend this program. Howard is the
23 world's fastest reader. There is nothing out there like it
24 anywhere in the world. It'll work for anyone about eight to ten
25 years and up. If you have a student in your life, you need to

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1 get it for them. If you're in business, if you read papers, if
2 you like to read novels --

3 MR. BERG: The Sunday paper.

4 MR. TRUDEAU: You'll learn this information, you'll
5 read it quickly and you'll be able to recall it. Call the number
6 on your screen. And again, we worked out a special arrangement
7 with Howard. You will get a 50 percent discount while we're on
8 the show. You can call right now and get more information on
9 this program. So, call the number.

10 MR. BERG: You mentioned how you don't have to
11 practice.

12 MR. TRUDEAU: Right.

13 MR. BERG: I have an interesting story. One of my
14 students called me and was really excited. A grandmother and she
15 learned how to do this at my live program and then she didn't use
16 for like six weeks.

17 MR. TRUDEAU: Right.

18 MR. BERG: And with any speed reading program if you
19 don't use it for six weeks, you can kiss it goodbye. It's over.

20 MR. TRUDEAU: Right.

21 MR. BERG: Her grandson came to her. He had a book
22 report and he needed her to help him. She read the book in 15
23 minutes. He got an A. She said, Howard, I don't know he did it.
24 I haven't use the program in six weeks. I opened the book and ,
25 like that it came right back to me. I said that's what it's

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1 about. You already have the ability. I'm just showing you how
2 to release it.

3 MR. TRUDEAU: Well, we're going -- we're going to test
4 you again. I keep testing you because this is really impressive
5 to me. All right, I got another book here. And I went to the
6 book store and picked these up. Rush Limbaugh, See I Told You
7 So. I like Rush by the way. We advertise a lot on his show.
8 Rush is a great guy.

9 MR. BERG: Um-hum.

10 MR. TRUDEAU: I have a personally autographed copy of
11 this book by the way.

12 MR. BERG: Do you?

13 MR. TRUDEAU: Yes, Rush sent to me. Okay. I want you
14 to read a chapter here. Let me see if I can find the chapter
15 about Rush. We went to Rush. Okay.

16 MR. BERG: Don't rush.

17 MR. TRUDEAU: Don't rush, don't rush. Now, by the way,
18 when I'm finding this chapter -- because I read things last
19 night. Okay?

20 MR. BERG: Yeah.

21 MR. TRUDEAU: Anybody can do this I mentioned?

22 MR. BERG: Anybody.

23 MR. TRUDEAU: And the age -- how old was the oldest
24 person that went through this?

25 MR. BERG: I had a woman at 80 years old and she's 17.

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1 Pasadena. And she took the program and I told them where I was
2 staying. The next day in my hotel I get a phone call and I say
3 oh, what's wrong. I said nobody calls me. Everybody learns it.

4 MR. TRUDEAU: Right.

5 MR. BERG: I say what's the problem. She says no
6 problem. I just called to tell you -- her name was Ruth. She
7 says, Howard, I went home after taking your program. I'm 83
8 years old and I read two 300 page books in under three hours.
9 I'm 83 years old.

10 MR. TRUDEAU: Wow.

11 MR. BERG: Do you know how happy I am? She says, I
12 don't know how much more time I have left, but there's so many
13 things I want to do and learn and you've just given me the tools
14 for doing it.

15 MR. TRUDEAU: You know, there are so many books out
16 there with so much material that -- newspapers, publications for
17 business people, you know, magazines, publications they have to
18 read, books and all these manuals. Learning computers. Thick
19 manuals.

20 MR. BERG: Thick manuals.

21 MR. TRUDEAU: You know, you were telling me that you
22 learned computers in one night.

23 MR. BERG: That's absolutely true. I bought at K-Pro
24 II (phonetic). Never saw or used a computer before. The first
25 night I hooked up everything.

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1 MR. TRUDEAU: Right.

2 MR. BERG: I learned Wordstar, DataStar, and Formstar
3 and published an article the next day. And that's the truth.
4 And I'll tell you a little funny story.

5 MR. TRUDEAU: And anybody can do this, right?

6 MR. BERG: Anybody can do it. And what happened was
7 the margins weren't perfect and I thought something was wrong.
8 And then someone said, do you know it takes 80 hours normally to
9 do what you did in three. And I said I guess I should feel a
10 little bit better then.

11 MR. TRUDEAU: Now, by the way, before -- well, I want
12 to do this test. I am going to have one more test. Okay. We
13 got one more. This is the chapter. Put your finger in there.
14 I'm going to get my little trusty -- this is for amazing on the
15 time. Ready?

16 MR. BERG: Yep.

17 MR. TRUDEAU: Go.

18 (Whereupon, there was a brief pause while Mr. Berg was
19 reading the book.)

20 MR. BERG: The pages are sticking. Okay. Well, that
21 slowed me down a bit.

22 MR. TRUDEAU: Okay, yeah. Still about 17 seconds.

23 MR. BERG: Okay, I apologize for that.

24 MR. TRUDEAU: Okay. All right. It's Rush's book.
25 Now, what was the gist of that book?

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1 MR. BERG: The gist was that government's too big.
2 We've got to make it smaller and vote conservative republican.
3 Okay. But he really has a lot of points. He talks about welfare
4 and how about 27 or 28 cents out of every dollar gets to the
5 reciprocate because the rest of that is being spent on
6 administration. And that's an example how government waste is
7 not helping us.

8 MR. TRUDEAU: And that's -- when you were on Regis and
9 Kathy Lee, you had the author come in. You read the book.

10 MR. BERG: (Inaudible).

11 MR. TRUDEAU: And he gave you very tough questions.

12 MR. BERG: I still remember one of them. He asked me
13 what did he say about -- let's see. He asked me several
14 questions. He asked me what did he say about the Pirates of
15 Penzance. It was a trick question. The book was called Going to
16 Movies and it was a vignette. Every two pages was another movie.
17 So, it wasn't a story. It was hundreds of little movie
18 vignettes.

19 MR. TRUDEAU: Right.

20 MR. BERG: And I said, Craig, that's a trick question.
21 Because it wasn't -- there was chapter in there about a different
22 movie and the Pirates of Penzance was used as an example of how
23 if the director had used the techniques of Pirates of Penzance
24 intent instead of the techniques he had chosen, his movie would
25 have been a better picture. I said, so you're actually trying to

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1 trick me because that wasn't even what the chapter was about.

2 MR. TRUDEAU: So, anybody can do this?

3 MR. BERG: Anybody. In fact, I had a blind student in
4 Huntsville, Alabama.

5 MR. TRUDEAU: Yeah.

6 MR. BERG: I swear to you it's true.

7 MR. TRUDEAU: Wait a minute. You can't read if you
8 can't see.

9 MR. BERG: She was reading in Braille.

10 MR. TRUDEAU: Oh, okay.

11 MR. BERG: And she took the program to learn the memory
12 skills. Because a lot of people when they hear speed reading,
13 they think fast reading. With Mega Reading it's not just fast
14 reading, it's fast learning. Remember what Tommy said, it's a
15 complete accelerated learning program. And what I teach them is
16 storing, retrieving, recalling, focusing.

17 Here's an important skill. Knowing what to look for.

18 How many times have you studied for a test -- people at home.
19 You study for a test, you take the test and none of the questions
20 you studied are asked. Everything else they ask. You go to an
21 important meeting and everything you thought was important was
22 not asked.

23 Well, if you don't know what to look for, you're going
24 to miss it. And I teach how to figure out what to look for.

25 MR. TRUDEAU: Now, you're not -- I was just --

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1 interesting to note because obviously there are so many books out
2 there, like Wealth Without Risk by Charles Givens (phonetic)
3 which is a phenomenal book, How to Attract Anyone Anytime by
4 Susan Raven (phonetic), Les Brown (phonetic), Live Your Dreams.
5 There are so many phenomenals out -- Mary K. Ash (phonetic) and
6 we can't do all of these.

7 MR. BERG: No.

8 MR. TRUDEAU: (Inaudible).

9 MR. BERG: I could.

10 MR. TRUDEAU: Yeah.

11 Well that's -- this is the amazing thing. How about
12 learning David Letterman's top ten list.

13 MR. BERG: I did a show America's Talking about a year
14 ago. They had me read 18 700 page books in an hour and a half
15 and they quizzed me on them and I got every question right.

16 MR. TRUDEAU: Well, like -- I got Larry King's book. I
17 got Bill Gates' book. I got Colin Powell. I got -- now, the
18 Internet for Dummies, if people want to learn how to run the
19 Internet. I got -- here's magazines.

20 MR. BERG: By the way, Forbes Magazine just did an
21 article on this.

22 MR. TRUDEAU: No kidding.

23 MR. BERG: Forbes said this is a wonderful program for
24 business people.

25 MR. TRUDEAU: I got the New York Times. I got all this

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1 -- now, how about biology. I mean look at -- folks, look at
2 these books. And I'm putting these all in front me just to show
3 you the point here. Calculus. Now, you're telling me -- this is
4 what kids have to go through in school.

5 MR. BERG: Right.

6 MR. TRUDEAU: Look at this book. They have read this.
7 You're telling me -- I know this is a mess here. But if a person
8 calls and gets your program, they'll be able to go through these
9 books. Now, let's be honest here. I got all these books here.
10 See if you can get a wide shot of this. I got Howard Stern's
11 book. I was invited to Howard Stern's birthday party.

12 MR. BERG: I read his book *Private Parts* in six minutes
13 on Comedy Central and then he tested me on the book and I got it
14 right.

15 MR. TRUDEAU: Howard did?

16 MR. BERG: Right.

17 MR. TRUDEAU: Howard did?

18 MR. BERG: I was on John Stewart's (phonetic) show and
19 Howard was the guest. He had just written *Private Parts*. It's
20 as thick as this book.

21 MR. TRUDEAU: Right.

22 MR. BERG: It took me I think six and a half minutes to
23 read and then he quizzed me and I got all the questions right.

24 MR. TRUDEAU: Okay. If somebody buys your program and
25 goes through like everything that's on the desk right here, the

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1 New York Times, all these books, how long would it take them to
2 do that? First it takes them a few hours to learn the technique.
3 Right?

4 MR. BERG: I would -- it just takes about three --
5 three, four hours to learn the technique.

6 MR. TRUDEAU: Normally it would take, what, a week?
7 Two, three weeks? A hundred hours to learn all this stuff -- to
8 go through all this stuff?

9 MR. BERG: I would say for the average person that
10 would be being kind.

11 MR. TRUDEAU: So, maybe 150 to 200 hours?

12 MR. BERG: I'd say several months for some of the
13 science books for certain people.

14 MR. TRUDEAU: That's right because that's all
15 scientific.

16 MR. BERG: It's not just light reading there.

17 MR. TRUDEAU: A person calls and gets your program, how
18 long?

19 MR. BERG: I'd say you could do that easily in at least
20 a month tops. Two weeks to a month depending upon your
21 background.

22 MR. TRUDEAU: Folks, you heard this. You can call
23 right now, get Howard's program. It takes just a few short
24 hours. It's easy. It's fun. Anybody can do it. You'll be the
25 greatest conversationalist. Kids get straight As with less study

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1 time. You'll make more money in business because you'll be able
2 to remember all the information. Call the number on your screen.
3 You'll get a 50 percent discount to boot. This is Kevin Trudeau,
4 thanks for watching. This has been another edition of Vantage
5 Point.

6 ON SCREEN: For more information or to order Howard
7 Berg's Mega Reading call: 1-800-283-5666.
8 Tru-Vantage International, 7300 Lehigh Avenue, Niles, IL 60714
9 (847) 647-0300.

10 The proceeding has been a paid advertisement for Tru-
11 Vantage International.

12 (Whereupon, the taping was concluded.)

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DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violations of the Federal Trade Commission Act; and

The respondents, their attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and having duly considered the comments filed thereafter by interested persons pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Mega Systems International, Inc. is an Indiana corporation with its principal office or place of business at 2025 East 175th Street, Lansing, Illinois.
2. Respondent Jeffrey Salberg is an officer of the corporate respondent. His principal office or place of business is the same as that of Mega Systems International, Inc.
3. The acts and practices of the respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.
4. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

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ORDER

DEFINITIONS

For purposes of this order, the following definitions shall apply:

1. "*Competent and reliable scientific evidence*" shall mean tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that has been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.
2. Unless otherwise specified, "*respondents*" shall mean Mega Systems International, Inc., corporation, its successors and assigns and its officers; and Jeffrey Salberg, individually and as an officer of the corporation; and each of the above's agents, representatives and employees.
3. "*Commerce*" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

I.

It is ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of Eden's Secret Nature's Purifying Product or any substantially similar product in or affecting commerce, shall not represent, in any manner, expressly or by implication, that:

- A. Such product causes significant weight loss;
- B. Such product prevents or cures illnesses, including but not limited to fatigue, headaches, depression, arthritis, insomnia, immune suppression, and premenstrual syndrome;
- C. Such product will cleanse the body of harmful toxins; or
- D. Such product will purify the body's blood supply.

For purposes of this Part, "substantially similar product" shall mean any herbal-based product that is substantially similar in ingredients, composition and properties.

II.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of Sable Hair Farming System or any substantially

similar product in or affecting commerce, shall not represent, in any manner, expressly or by implication, that:

- A. Such product will stop, prevent, cure, relieve, reverse or reduce hair loss;
- B. Such product will promote the growth of hair where hair has already been lost; or
- C. Such product is superior to Rogaine and Minoxidil in stopping, preventing, curing, relieving, reversing or reducing hair loss.

For purposes of this Part, "substantially similar product" shall mean any product that is substantially similar in ingredients, composition and properties.

III.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any hair care product or drug, as "drug" is defined in Section 15 of the Federal Trade Commission Act, in or affecting commerce, shall not represent, that any product promotes hair growth or prevents hair loss, unless the product is the subject of an approved new drug application for such purpose under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 301 *et seq.*, provided that, this requirement shall not limit the requirements of order paragraph II herein.

IV.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of Kevin Trudeau's Mega Memory System or any substantially similar product in or affecting commerce, shall not represent, in any manner, expressly or by implication, that such product will enable users to achieve a photographic memory. For the purposes of this Part, "substantially similar product" shall mean any product or program that is substantially similar in components, techniques, composition and properties.

V.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with

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the labeling, advertising, promotion, offering for sale, sale, or distribution of Kevin Trudeau's Mega Memory System or any substantially similar product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication that such product is effective in causing adults or children with learning disabilities or attention deficit disorder to substantially improve their memory, unless, at the time the representation is made, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation. For the purposes of this Part, "substantially similar product" shall mean any product or program that is substantially similar in components, techniques, composition and properties.

VI.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of Dr. Callahan's Addiction Breaking System or any substantially similar product in or affecting commerce, shall not represent, in any manner, expressly or by implication, that:

- A. Such product reduces an individual's compulsive desire to eat, leading to significant weight loss;
- B. Such product reduces an individual's compulsive desire to eat, leading to significant weight loss without the need to diet or exercise; or
- C. Such product cures addictions and compulsions, including but not limited to, smoking, eating and using alcohol or heroin.

For purposes of this Part, "substantially similar product" shall mean any product or program that is substantially similar in components, techniques, composition and properties.

VII.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of Jeanie Eller's Action Reading or any other product or program that provides instruction in any aspect of reading in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, concerning:

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- A. The extent to which individuals who use such product will learn to read, or
- B. The success rate of individuals who use such product,

unless, at the time the representation is made, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

VIII.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or program in or affecting commerce, shall not misrepresent, in any manner, expressly or by implication, the existence, contents, validity, results, conclusions or interpretations of any test, study, or research.

IX.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or program in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the benefits, performance, or efficacy of such product, unless, at the time the representation is made, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

X.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or program in or affecting commerce, shall not represent, in any manner, expressly or by implication, that the experience represented by any user testimonial or endorsement of the product represents the typical or ordinary experience of members of the public who use the product, unless:

- A. At the time it is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation; or

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- B. Respondents disclose, clearly and prominently, and in close proximity to the endorsement or testimonial, either:
 1. What the generally expected results would be for users of the product, or
 2. The limited applicability of the endorser's experience to what consumers may generally expect to achieve, that is, that consumers should not expect to experience similar results.

Nothing contrary to, inconsistent with, or in mitigation of the disclosure shall be used in any advertisement or on any label.

XI.

It is further ordered, That respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product or program in or affecting commerce, shall not create, produce, sell, or disseminate:

- A. Any advertisement that misrepresents, directly or by implication, that it is not a paid advertisement;
- B. Any television commercial or other video advertisement fifteen (15) minutes in length or longer or intended to fill a broadcasting or cablecasting time slot of fifteen (15) minutes in length or longer that does not display visually, clearly and prominently, and for a length of time sufficient for an ordinary consumer to read, within the first thirty (30) seconds of the advertisement and immediately before each presentation of ordering instructions for the product or service, the following disclosure:

"THE PROGRAM YOU ARE WATCHING IS A PAID
ADVERTISEMENT FOR [THE PRODUCT OR SERVICE]."

Provided that, for the purposes of this provision, the oral or visual presentation of a telephone number, e-mail address or mailing address for viewers to contact for further information or to place an order for the product or service shall be deemed a presentation of ordering instructions so as to require the display of the disclosure provided herein; or

- C. Any radio commercial or other radio advertisement five (5) minutes in length or longer that does not broadcast, clearly and audibly, within the first thirty (30) seconds of the advertisement and immediately before each presentation of

ordering instructions for the product or service or periodically through the program, but no more than approximately ten (10) minutes apart, the following disclosure:

"THE PROGRAM YOU ARE LISTENING TO IS A PAID ADVERTISEMENT FOR [THE PRODUCT OR SERVICE]."

Provided that, for the purposes of this provision, the presentation of a telephone number, e-mail address or mailing address for listeners to contact for further information or to place an order for the product or service shall be deemed a presentation of ordering instructions so as to require the announcement of the disclosure provided herein.

Provided further that, for a period of one (1) year from the date of entry of this order, the specific disclosure language of Subparts XI(B) and (C) shall not apply to any commercial or other video or audio advertisement produced prior to the date of entry of this order that contains a clear and prominent disclosure of the fact that the program is a paid advertisement or presentation within the first thirty (30) seconds of the commercial and immediately before each presentation of ordering instructions for the product or program that includes one or more of the following disclosures:

1. "The following is a paid commercial program brought to you by Mega Systems International, Inc."
2. "This is a paid advertisement for [the product or program]."
3. "The preceding has been a paid commercial program brought to you by Mega Systems International, Inc."

XII.

Nothing in this order shall prohibit respondents from making any representation for any drug that is permitted in labeling for such drug under any tentative final or final standard promulgated by the Food and Drug Administration, or under any new drug application approved by the Food and Drug Administration.

XIII.

It is further ordered, That:

- A. Respondent Mega Systems International, Inc., its successors and assigns, and respondent Jeffrey Salberg, shall pay to the Federal Trade Commission by electronic funds transfer the sum of five hundred thousand dollars (\$500,000) no later than

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fifteen (15) days after the date of service of this order. In the event of any default on any obligation to make payment under this Part, interest, computed pursuant to 28 U.S.C. 1961(a) shall accrue from the date of default to the date of payment. In the event of default, respondent Mega System, Inc., its successors and assigns, and respondent Jeffrey Salberg, shall be jointly and severally liable.

- B. The funds paid by respondent Mega Systems International, Inc., its successors and assigns, and respondent Jeffrey Salberg, pursuant to subpart A above shall be paid into a redress fund administered by the FTC and shall be used to provide direct redress to purchasers of certain Mega Systems International, Inc.'s products. Payment to such persons represents redress and is intended to be compensatory in nature, and no portion of such payment shall be deemed a payment of any fine, penalty, or punitive assessment. If the FTC determines, in its sole discretion, that redress to purchasers is wholly or partially impracticable, any funds not so used shall be paid to the United States Treasury. Respondent Mega Systems International, Inc., its successors and assigns, and respondent Jeffrey Salberg, shall be notified as to how the funds are disbursed, but shall have no right to contest the manner of distribution chosen by the Commission.

XIV.

It is further ordered, That respondent Mega Systems International, Inc., and its successors and assigns, and respondent Jeffrey Salberg shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation; and
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

XV.

It is further ordered, That respondent Mega Systems International, Inc., and its successors and assigns, and respondent Jeffrey Salberg shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and shall deliver a copy of this order or a summary of this order in the form attached hereto as Exhibit A to all other current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order or Exhibit A. Exhibit A shall be printed in its entirety in an easily readable font in at least 12 point dark-colored type against a contrasting background and shall contain no additional language. Bracketed language in Exhibit A may be included at Mega Systems' option but is not required. Respondents shall deliver this order or Exhibit A to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

XVI.

It is further ordered, That respondent Mega Systems International, Inc. and its successors and assigns shall notify the Commission at least thirty (30) days prior to any change in the corporation that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation about which respondents learn less than thirty (30) days prior to the date such action is to take place, respondents shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

XVII.

It is further ordered, That respondent Jeffrey Salberg, for a period of five (5) years after the date of issuance of this order, shall notify the Commission of the discontinuance of his current business or employment, or of his affiliation with any new business or

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employment. The notice shall include respondent's new business address and telephone number and a description of the nature of the business or employment and his duties and responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

XVIII.

It is further ordered, That respondent Mega Systems International, Inc., and its successors and assigns, and respondent Jeffrey Salberg shall, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

XIX.

This order will terminate on June 8, 2018, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this order that terminates in less than twenty (20) years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

By the Commission.¹

¹ Prior to leaving the Commission, former Commissioner Azcuenaga registered a vote in the affirmative for this Decision & Order.

EXHIBIT A

NOTICE TO MSI, INC'S EMPLOYEES AND AGENTS
IN THE SALE OF MSI PRODUCTS

MSI has signed an agreement with the Federal Trade Commission that contains rules and standards about the marketing of products to consumers. With MSI's consent, the FTC has issued an order that gives that agreement the force of law. Of particular importance to you are things that can be said or not said to consumers about any product or service. This document contains several specific parts of the agreement and order that persons who deal directly with customers must know. It is important that you read it and understand it. When you sign it, you will be certifying not only your understanding, but your agreement to follow the requirements.

[It is important that MSI follow the agreement carefully to avoid future legal disputes, and you can be sure that we will make every effort to do so. This document is a way that we make sure that you also understand how important it is to follow it and that MSI takes the agreement and other aspects of dealing fairly with consumers very seriously. You could be disciplined for violations or even terminated for the most serious ones. However, this process is not intended to put a burden on you or scare you. To the contrary, MSI puts a lot of effort into making sure its telemarketing scripts are legal and, if you follow them, you will have no problem. However, you should not make claims beyond the script that you are not totally sure of and, if you do not know the answer to a customer's question, you should simply say so, or seek help from a supervisor, but you should not just make one up.]

The following are excerpts from the order that we have promised to follow. [If you have any questions about this form, or the agreement terms, or what they mean, please ask (your supervisor or other person).] Items where numbers are skipped do not apply to you.

I. In connection with the sale of any herbal-based colon or body cleansing product, MSI shall not represent, in any manner, expressly or by implication, that:

- A. Such product causes significant weight loss;
- B. Such product prevents or cures illnesses, including but not limited to fatigue, headaches, depression, arthritis, insomnia, immune suppression, and premenstrual syndrome;
- C. Such product will cleanse the body of harmful toxins; or
- D. Such product will purify the body's blood supply.

II. In connection with the sale any hair growth product, MSI shall not represent, in any manner, expressly or by implication, that:

- A. Such product will stop, prevent, cure, relieve, reverse or reduce hair loss;
- B. Such product will promote the growth of hair where hair has already been lost; or
- C. Such product is superior to Rogaine and Minoxidil in stopping, preventing, curing, relieving, reversing or reducing hair loss.

III. In connection with the sale of any hair care product or drug, MSI shall not represent, that any product promotes hair growth or prevents hair loss, unless the product has been approved by the Food and Drug Administration.

IV. In connection with the sale of Kevin Trudeau's Mega Memory System or any substantially similar memory enhancement product, MSI shall not represent, in any manner, expressly or by implication, that such product will enable users to achieve a photographic memory.

V. In connection with the sale of Kevin Trudeau's Mega Memory System or any substantially similar memory enhancement product, MSI shall not make any representation, in any manner, expressly or by implication that such product is effective in causing adults or children with learning disabilities or attention deficit disorder to substantially improve their memory, unless MSI possesses and relies upon competent and reliable evidence that substantiates the representation.

VI. In connection with the sale of any addiction cure product, MSI shall not represent, in any manner, expressly or by implication, that:

- A. Such product reduces an individual's compulsive desire to eat, leading to significant weight loss;
- B. Such product reduces an individual's compulsive desire to eat, leading to significant weight loss without the need to diet or exercise; or
- C. Such product cures addictions and compulsions, including but not limited to, smoking, eating and using alcohol or heroin.

VII. In connection with the sale of Jeanie Eller Action Reading or any other product or program that provides instruction in any aspect of reading, MSI shall not make any representation, in any manner, expressly or by implication, concerning:

- A. The extent to which individuals who use such product will learn to read, or
- B. The success rate of individuals who use such product,

unless, at the time the representation is made, MSI possesses and relies upon competent and reliable evidence that substantiates the representation.

VIII. In connection with the sale of any product or program, MSI shall not misrepresent, in any manner, expressly or by implication, the existence, contents, validity, results, conclusions or interpretations of any test, study, or research.

IX. In connection with the sale of any product or program, MSI shall not make any representation, in any manner, expressly or by implication, about the benefits, performance, or efficacy of such product, unless, at the time the representation is made, MSI possesses and relies upon competent and reliable evidence that substantiates the representation.

X. In connection with the sale of any product or program, MSI shall not represent, in any manner, expressly or by implication, that the experience represented by any user testimonial or endorsement of the product represents the typical or ordinary experience of members of the public who use the product, unless:

- A. At the time it is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation; or
- B. Respondents disclose, clearly and prominently, and in close proximity to the endorsement or testimonial, either:
 - 1. What the generally expected results would be for users of the product, or
 - 2. The limited applicability of the endorser's experience to what consumers may generally expect to achieve, that is, that consumers should not expect to experience similar results.

Nothing contrary to the disclosure shall be stated.

On this ____ day of _____, _____, I have read and understood this document and agree to follow it. [I am signing this voluntarily and understand that I could be disciplined, even terminated, for serious violations.]

_____ Employee _____

[_____ Witness _____]