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FEDERAL TRADE COMMISSION

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FTC MATTER NO.: 942-3278

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TITLE: SABLE HAIR FARMING SYSTEM
RADIO INFOMERCIAL

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PAGES: 1 THROUGH 25

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MSI/SALBERG COMPLAINT EXHIBIT C
TRUDEAU COMPLAINT EXHIBIT C
SABAL COMPLAINT EXHIBIT A

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1 MR. TRUDEAU: My guest from beautiful Florida I have on
2 the telephone is Jacqueline Sable, the founder of Sable
3 Laboratories and the inventor of the hair farming formula we've
4 been talking about all morning.

5 You know, our topic today is going to be balding, hair,
6 the scalp, thinning hair, and how people get that, what they can
7 do about it, what the options are, and so forth.

8 Well, good morning, Jacqueline. How are you?

9 MS. SABLE: Good morning, Kevin. Thanks for having us
10 on the air today. And happy hair farming to everybody listening
11 in who has a hair loss problem.

12 MR. TRUDEAU: Yes. You know, it's funny. When I was
13 talking to you a few days ago, and I read all the material that I
14 was looking at, this is very fascinating.

15 MS. SABLE: Hard to believe, isn't it?

16 MR. TRUDEAU: You know, male pattern baldness is what
17 people think about a lot when they talk about hair. And I know .
18 . . I understand that you are really an expert in the field of
19 hair and the scalp and this type. And it's really interesting
20 cause I understand from your material you've been all over the
21 country, on virtually hundreds of shows talking to people about
22 it, the problem and the invention that you came up with. How did
23 you get involved? I mean, you think about baldness, you think of
24 men.

25 MS. SABLE: Well, I had what's called alopecia areata.

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1 Now, there's a lot of women, and some men listening in, that have
2 had that problem themselves, where hair falls out in patches due
3 to a nervous condition, or it just thins evenly due to nerves.

4 And what happens is the spinning mechanism at the base
5 of the follicle, the actual hole that hair grows inside of, is
6 affected by nerves. And it cannot spin the protein from the
7 blood from which hair grows evenly and smoothly into hair. The
8 hair breaks and stops growing, and your hair falls out and it's
9 not replaced.

10 And in order to help myself, because I had to wear
11 hairpieces. I'm a teacher of cosmetology here in Florida, and
12 I've been a hairdresser for 20 years, at least. I'm not that
13 old, but at least 20 years. And I didn't want to wear a wig for
14 the rest of my life. In fact, the more I wore one, the more hair
15 I lost. So it was a never-ending problem.

16 And in order to help myself, I went to the medicinal
17 powers of herbs. You know that herbal remedies, Kevin, were what
18 they used for thousands of years. In fact, even the medical
19 people today are turning back to herbs now for natural healing.

20 MR. TRUDEAU: Aren't most drugs derived from herbs? A
21 lot of them?

22 MS. SABLE: They were. But then in the beginning of
23 the 20th century they started deriving them from metals. And
24 that's where a lot of sickness has come from, in my belief, my
25 personal belief.

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1 MR. TRUDEAU: That's interesting.

2 MS. SABLE: Now they're turning back to natural
3 healing. So I found a combination of herbs that, when mixed with
4 cleansers like witch hazels and alcohols, can deep clean
5 underneath the surface of the scalp, and clean out all the debris
6 that prevents the hair or blocks the hair from reaching the
7 surface.

8 You see, hair only grows from blood, Kevin. There is
9 no magic potion that grows hair. And please, anyone listening in
10 with any kind of hair loss problem, don't buy these phony
11 products that you see on the market. They don't work. Anything
12 that claims to grow hair, it's a flat-out lie.

13 MR. TRUDEAU: But what about Minoxidil? Don't they
14 claim to grow hair?

15 MS. SABLE: It cannot grow hair. All it does it
16 elongate the peachfuzz, or glue in the hair that you would
17 normally lose. It's a glue. It's an Elmer's Glue for the scalp.
18 That's what I call it.

19 MR. TRUDEAU: No kidding.

20 MS. SABLE: You see, people who are totally bald cannot
21 be helped by Minoxidil, because they cannot grow their hair back.
22 If they grew hair, why couldn't they grow hair back on a man
23 who's totally bald? They can't do that.

24 MR. TRUDEAU: So does it work with people who are just,
25 you know, straight bald?

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1 MS. SABLE: No. It only works on those who are just
2 losing their hair. So here's a young man using this very
3 expensive drug, rubbing it into his head every day, which is
4 causing all kinds of other physical ailments, according to their
5 own literature, now.

6 MR. TRUDEAU: Right.

7 MS. SABLE: I'm not saying this. It's in their own
8 literature.

9 MR. TRUDEAU: Exactly.

10 MS. SABLE: According to the law of the United States
11 and the FDA, you have to put side effects. There's liver
12 problems, kidney problems, heart problems, rashes. There's a
13 list a mile long. But naturally, they make it so small that a
14 human eye can't read it.

15 MR. TRUDEAU: Right.

16 MS. SABLE: I had to blow it up 10 times at a photostat
17 machine in order to see what they were saying.

18 MR. TRUDEAU: Okay.

19 MS. SABLE: So the point that I'm making is, they can
20 only help those who are just starting to lose hair. And the only
21 way to help them is by gluing in the hair that would naturally
22 fall out. And that's why they say, if you stop using Minoxidil
23 or Rogaine, the hair falls out. The glue dissolves. It's very
24 simple.

25 MR. TRUDEAU: That's interesting.

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1 MS. SABLE: Now, what hair farming does it totally
2 different. We deep clean the debris under the scalp. It's just
3 a shampoo. Not a drug. Completely herbal, completely natural.
4 Safety tested. It's been used for many, many years. About 10,
5 15 years in this country and 4 or 5 other countries that we are
6 in. We are in about 150 cities in this country alone. And all
7 it does it clean. And so that the hair that's growing from the
8 blood has a free passageway to reach the surface.

9 MR. TRUDEAU: Now, why did you come up with the name
10 hair farming? When I first heard this, I --

11 MS. SABLE: Well, that's what we're doing.

12 MR. TRUDEAU: I thought you were involved with rabbits.

13 MS. SABLE: Well, that's true. The telephone company
14 put me in the bunny business. They spelled it
15 H-A-R-E. And we lost thousands of dollars on that mistake.

16 MR. TRUDEAU: Right.

17 MS. SABLE: And when I called the phone company and
18 asked them why they did that, they said, "Well, gee, we never
19 heard of hair farming, H-A-I-R." And they were right, because we
20 had made it up. So I couldn't really be too mad at them, could
21 I?

22 MR. TRUDEAU: That's right.

23 MS. SABLE: So what happened is I had to think of a
24 name to explain what we were actually doing. Now, we weren't
25 growing hair. We do not claim to grow hair.

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1 MR. TRUDEAU: Right.

2 MS. SABLE: There is no way anyone can grow hair,
3 except the blood. But we were cleaning, and you might say we
4 were cultivating. And the amazing thing that was happening is
5 that after we cleaned, as we looked at the scalp, hair sprouted
6 out. And right in front of our eyes. And when I saw that
7 happen, I said, "Gee, this is just like farming."

8 MR. TRUDEAU: Now, I understand that you've been on a
9 vast number of television shows where you actually take people
10 right out of the audience and clean the scalp right there. And
11 in virtually just a few minutes -- what is it, a half an hour or
12 something?

13 MS. SABLE: At least. That's all. Hair sprouted right
14 out.

15 MR. TRUDEAU: People get excited about the results.

16 MS. SABLE: Yes. Because the hair is there. Again,
17 we're not growing hair. And the hair that sprouts out measures
18 five years, for instance, that it's been growing under the scalp,
19 from the blood, from the protein in the blood. And we've
20 actually proved that even more so, because we had cadaver scalps
21 dissected, and there's the hair trapped in the follicles. And
22 then we went further than that, and we had live subjects tested
23 in a laboratory here in south Florida, and they counted the hairs
24 as they came in on every test subject every day that they used
25 the product.

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1 Again, we were not growing hair. We were just cleaning
2 debris, which is just simply a shampoo. But we're the only
3 shampoo in the world that can get down and clean under the scalp.

4 And fortunately for us, or we wouldn't be on this show
5 right now, it cannot be broken down and deciphered, because it's
6 herbal. And anything organic cannot be duplicated.

7 MR. TRUDEAU: Well, you can't duplicate Coca-Cola.

8 MS. SABLE: True. I don't know if that's organic or
9 not.

10 MR. TRUDEAU: No, no. But the ingredients are right on
11 the label, and of course it cannot be duplicated.

12 MS. SABLE: Exactly. So we have a wonderful product
13 that cleans the scalp. And if you learn to do that, first of
14 all, you'll never lose your hair. If you learn the correct use
15 of hair cosmetics and how to keep your glands under control.
16 Because, you see, that's my theory. And I have a right to this
17 theory, whether the medical community believes me right now or
18 not, although they soon will because I'll be written up in most
19 of the major medical journals around the world.

20 MR. TRUDEAU: You were mentioning that. There are
21 articles coming out now in medical journals?

22 MS. SABLE: Oh, yes. I should be in most of the major
23 medical journals in the world in the next few months, which will
24 finally end baldness in the human race. And I'm very proud of
25 that. A hundred percent on my testing. And that will be

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1 announced, I would say, before the end of the June. And that's
2 one of the reasons for this show today. Hopefully we're going to
3 reach all the people that have seen me on TV already and wondered
4 if this is really true.

5 MR. TRUDEAU: And by the way, for the people listening,
6 we are going to be giving out a toll-free number in just a little
7 while, if you want information on the hair farming product. So
8 we will be giving out a toll-free number.

9 Now, you were talking the other day, and I talked to a
10 station manager, you were on as a guest. After the show, where
11 you did actual live demonstration and people saw it. I
12 understand you got over 2,000 phone calls.

13 MS. SABLE: The phones are still ringing. That was
14 three weeks ago.

15 MR. TRUDEAU: Unbelievable.

16 MS. SABLE: And that was just a local show in Missouri.
17 Can you imagine what's going to happen from your show? I hope
18 you have the staff to answer the phone calls. I don't.

19 MR. TRUDEAU: Well, yeah. And like I say, we will be
20 giving out the number, so people don't have to call the station
21 and flood us with inquiries.

22 MS. SABLE: Well, for those who are listening in, let
23 me say this, very simply. It's guaranteed to work on every human
24 being. You're alive, the blood is flowing, your hair is growing
25 from blood.

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1 Number two, we don't grow hair. We're just cleaning
2 the debris that's preventing it from reaching the surface. It's
3 100-percent guaranteed, completely harmless, herbal, natural.
4 And everyone should have all their hair back in six months to a
5 year, permanently, painlessly, and never have to purchase
6 anything again. You're not tied to hair farming for the rest of
7 your life.

8 We teach you free of charge what to do to keep your
9 hair once you have it back.

10 MR. TRUDEAU: Now, I have a partner, and we talked
11 about this in the last few days. He's bald. And he asked me a
12 question. He said, "Why do some people go bald, and not others?
13 Why don't all of us have, you know, the debris get stuck in our
14 scalp?"

15 MS. SABLE: Because some people inherit -- in fact, 80
16 percent of the male population of the world inherit over-
17 producing scalp glands. They either sweat too much or have too
18 much oil on their scalp. And we've got about 2,000 glands every
19 square inch of our scalp. Perspiration and 2,000 oil glands.

20 If you've inherited the tendency to perspire too much,
21 when you reach 15 or 16 you're going to start having dry hair.
22 This glandular problem matures when you become an adult. That's
23 why everybody has hair as a preteen.

24 Now, once you become a teenager, your glands in your
25 body start working as they will the rest of your adult life. And

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1 if you have a perspiration problem, it will come out of the
2 scalp, this excess fluid, move along the surface of your scalp,
3 according to the inherited shape, taking debris with it,
4 pollutants in the air, any conditions you work under or play
5 under, and hair cosmetics that we use incorrectly. And it will
6 clog the openings in its path.

7 Now, fortunately you don't go bald in one day. You
8 lose about 30 hairs a day. And in that two-month period of time,
9 two- to three-month period of time, which they call the telogen
10 stage, before the second hair can replace the one that's fallen
11 out, if the passageway in the follicle above it becomes clogged,
12 too much so, too hard, too permanent that the hair can't push its
13 way through, a clogged area will eventually form over a period of
14 years that's called a bald spot. And it takes on the pattern of
15 the inherited shape of the head.

16 So if you've got a flat area in back, the fluid goes
17 there and causes a puddle back there. Clogs there, and you've
18 got monk's pattern. If you've got a high-pitched head, it goes
19 forward towards the front of your head, and you've got receding
20 hairline, and eventually all the hair on top of your head is
21 gone.

22 Now, what usually happens when you have dry hair and
23 scalp is that you use conditioners, because you want to condition
24 your hair. Now what do you do? You rub it into your scalp,
25 don't you?

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1 MR. TRUDEAU: Sure.

2 MS. SABLE: Real good. You're clogging the scalp with
3 the conditioner.

4 MR. TRUDEAU: So it's even making the problem even more
5 severe.

6 MS. SABLE: Exactly. And then you use hairspray,
7 because you want to hold that flyaway hair in place. And
8 hairspray is one of the biggest problems to mankind today, never
9 mind the atmosphere, also to having hair loss. Because people
10 don't know how to use it correctly. I'm not saying don't use
11 these products, but learn to use them correctly.

12 MR. TRUDEAU: So not just men. We're talking about
13 women, too.

14 MS. SABLE: Exactly.

15 MR. TRUDEAU: As in yourself, that have the thinning
16 hair, the hair falling out.

17 MS. SABLE: Exactly. You see, in the case of a man,
18 when the blow-dryer look came out about 15 years ago, when they
19 invented blow dryers, and men started using hairspray for the
20 first time, young fellows. Because my father's generation didn't
21 use hairspray, it was a sissy thing to do.

22 MR. TRUDEAU: Right.

23 MS. SABLE: So today, now, the young fellows are blow
24 drying their hair. And what do they do? They want to hold their
25 hair in place, so they spray the hair on the side of their head

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1 to hold it in place. They don't realize how much hairspray is
2 hitting the temple area. The next thing, with the perspiration
3 and oil that's there, causing cement in the follicle, and
4 starting a receding hairline. Until eventually they have so much
5 of a receding hairline that what do they do? They comb their
6 hair over and spray down on the scalp to hold that hair in place,
7 to hide the receding hairline, and they clog the hair on top of
8 their head, and they go bald on top.

9 Now, I'm not saying don't use hairspray, those of you
10 who do this that are listening in. But simply cover with your
11 other hand the receding area as you're spraying that side of the
12 head. Same thing with the other side, cover that receding area.
13 And when you do the top of your hair, don't spray down on your
14 scalp. Comb the hair the way you want. Spray the hairspray on
15 your hand, comb, or brush, and put it on the hair that way.

16 MR. TRUDEAU: All right, now, let me ask you a
17 question. I don't have, I've never had any hair loss. I don't
18 have a receding hairline. And --

19 MS. SABLE: Then you can't sympathize, can you?

20 MR. TRUDEAU: And my partner's bald.

21 MS. SABLE: Okay. But you see, you're one of the rare
22 20 percent of the human race, which includes Indians -- anyone
23 with Indian blood will never lose hair. Any kind of Indian blood
24 will never lose hair.

25 MR. TRUDEAU: Why is that?

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1 MS. SABLE: We don't know.

2 MR. TRUDEAU: You don't know.

3 MS. SABLE: And why is it, also -- now, here's a very
4 interesting premise for any doctors or any scientists listening
5 in today. I have found that it is the Caucasian race that
6 affects the other races. No Indians, no black or Oriental race
7 has hair on their body like the Caucasian male.

8 MR. TRUDEAU: Right.

9 MS. SABLE: And they are not prone to hair loss unless
10 it's intermarriage. And in the Indian race -- with whites. In
11 the Indian race, there is no hair loss. And anyone that has even
12 one-quarter of Indian blood will not lose hair. If there's more
13 mixture in the blood than one-quarter, they will lose.

14 MR. TRUDEAU: So there are some things out there that
15 we still don't know about.

16 MS. SABLE: I think we've just touched the tip of an
17 iceberg here.

18 MR. TRUDEAU: But what you're saying is if somebody has
19 thinning hair, if somebody has a receding hairline, if someone is
20 bald --

21 MS. SABLE: They've inherited over-producing scalp
22 glands.

23 MR. TRUDEAU: And you're saying that if the follicles
24 were cleaned properly --

25 MS. SABLE: They would never lose their hair.

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1 MR. TRUDEAU: -- then the hair that is there will start
2 to --

3 MS. SABLE: Remain the rest of their life.

4 MR. TRUDEAU: That's amazing.

5 MS. SABLE: Now, if we could reach the teenagers
6 through wonderful shows like these -- and I'm very grateful for
7 you to be giving us this opportunity to tell people about hair
8 farming -- we could actually end hair loss in the human race. No
9 one would become bald any more.

10 MR. TRUDEAU: Well, I'm going to tell the audience
11 about it, because I've been talking about it all week. I said,
12 "You know, I'm talking to this woman who I think is crazy." And
13 I said, "We're going to try it out on my partner, who I mentioned
14 is bald." And the only reason that you're on this show with us
15 today is because yesterday we took my partner, and we put this
16 stuff on his head.

17 And I'm going to tell you what happened. But we are
18 going to take a break, because I know I'm already getting waves
19 from the studio that people are calling saying is there a toll-
20 free number that we can get information from the Hair Farming
21 Product. So, let's take a short break and give out that number
22 so if people do want information on the Hair Farming program they
23 can call you and get all their questions answered and so forth.
24 Let's take a break.

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1 MR. TRUDEAU: And we're back. This is Kevin Trudeau on
2 "Let's Talk, America." My guest again is Jacqueline Sable, the
3 founder of Sable Laboratories in Florida, and the inventor of the
4 hair farming product or program, or herbal formula invention.
5 We've been talking about hair loss and balding and thinning.

6 And you know, Jacqueline, this is a fascinating
7 subject. As I mentioned, I can't sympathize with people because
8 I've never had any hair come out of my comb, and I have a full
9 head of hair and no receding hairline.

10 MS. SABLE: The glands of your scalp are working
11 normally. I was mentioning about those that have a perspiration
12 problem, but there's a lot of those that have oil problems, also.
13 And the oil glands, if you have over-producing oil glands, you
14 have dandruff. Dandruff is caused by oil coming out of inside
15 the follicle, because it lubricates the inside of the follicle,
16 the oil gland. And it lubricates the outside of the hair shaft
17 that slides up the follicle to reach the surface of the scalp.

18 So when the oil comes out of the follicle, it mixes
19 with the dead skin that we shed on our scalp, and you have
20 dandruff flakes.

21 MR. TRUDEAU: Okay.

22 MS. SABLE: If you have excess oil, you have excess
23 dandruff. Now, a dandruff shampoo manufacturer cannot stop you
24 from oversecreting oil. That's a genetic inherited problem. And
25 it can't stop us from shedding skin, because that's nature.

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1 There has to be a barrier to prevent the two from
2 blending and reaching each other. And that barrier's usually
3 petroleum-based, tar-based, medicated-based, whatever they use,
4 in a dandruff shampoo, you will be bald in no time. If you have
5 a dandruff shampoo, throw it out the window. Because you'll
6 never see a shiny-headed, bald old man with dandruff. Think
7 about it.

8 MR. TRUDEAU: That's amazing, yeah.

9 MS. SABLE: They have totally sealed that person's
10 head. That's what a dandruff shampoo does.

11 MR. TRUDEAU: Now, it's funny you said that. Because
12 yesterday when I called you on the phone and said, "I have my
13 partner in the chair." I says, "I'm looking at his bald head,
14 and what should I do?" And you said, "Look at the scalp and tell
15 me if it looks like leather and nice and smooth." And I go,
16 "Yes, it's shiny. It's very nice and --"

17 MS. SABLE: Every follicle is filled.

18 MR. TRUDEAU: And when you said that, I said, "Of
19 course." And you said, "Do you think any hair can grow out of
20 that?" I said, "No, there's no place for it to grow."

21 So when I put on the formula one, and I rubbed it in,
22 within a few minutes, just a few minutes, all of a sudden the
23 smoothness stopped and the scalp became rougher --

24 MS. SABLE: And holes started to appear.

25 MR. TRUDEAU: It looked like somebody took little, tiny

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1 needles --

2 MS. SABLE: Exactly.

3 MR. TRUDEAU: -- and poked it in the scalp, so that
4 there were now, instead of just a smooth, shiny top, it looked
5 like there were places that hair could actually begin to sprout
6 again.

7 MS. SABLE: Well, the doctors that have tested with us,
8 that amazed them. That was the very first thing that amazed
9 them. They said they saw more in five minutes with our product
10 than they did with any other product they've ever tested. And
11 that includes the Rogaine and Minoxidil products. Because the
12 follicles actually started dilating in those five minutes.

13 They were cleaning out, you see. The debris that was
14 right on top was being flushed out by formula one.

15 MR. TRUDEAU: Now, obviously we've been hearing about -
16 - I've heard about, oh, this cleanness to follicles, cleanness to
17 follicles, that's been something that the people who've been
18 talking about for a long time --

19 MS. SABLE: Do you know why? I invented that, and I
20 was develop -- my discoveries were copyrighted in 1976. I am the
21 one who invented the theory of the clogged follicle; that it was
22 not dead, that it was simply a hole and that it was clogged. I
23 naturally formed a company, sent literature out all over the
24 world. And lo and behold, other companies started saying what I
25 was saying. And now doctors are saying what I was saying.

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1 But you know, I never got the credit for it.

2 MR. TRUDEAU: Well, that happens so many times, doesn't
3 it?

4 MS. SABLE: I have about five copyright lawsuit
5 infringements, copyright infringement lawsuits pending.

6 MR. TRUDEAU: Incredible, incredible.

7 MS. SABLE: And which I will be announcing probably by
8 the end of the year.

9 MR. TRUDEAU: Now, you said that your program, the hair
10 farming formula that people put on cleans the follicles. I've
11 heard of other products that make that same claim.

12 MS. SABLE: I'll tell you the difference. Anyone that
13 hears any other product making that claim, which was stolen from
14 me, call them up and tell them you're totally bald, you want all
15 your hair back, and they'll say they can't help you. Because all
16 they do is -- in hair. They just have a glue for the scalp.

17 MR. TRUDEAU: right.

18 MS. SABLE: As you can see, the phones never stop
19 ringing here, so be prepared.

20 MR. TRUDEAU: That's okay, Jacqueline.

21 MS. SABLE: And what happens in our case is that we
22 will say yes. We will say, "Yes, we can take a totally bald old
23 man. And if we're right, if the hair is there, it'll come back
24 through the clean passageways." Again, we're not growing it.

25 MR. TRUDEAU: All you're doing is cleaning the --

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1 MS. SABLE: You see, in the United States you have to
2 be very, very careful about the words you use. But it happens to
3 be true. We're not growing hair. We're just cleaning debris.
4 Nobody can grow hair, it only grows from blood.

5 But again, in any way, shape, or form, if you were to
6 take a bald man and show him with a full head of hair, they, the
7 FDA claims that you're growing hair.

8 MR. TRUDEAU: Right.

9 MS. SABLE: And it's really a problem. It's really a
10 play on words, because it's unfair. It's really unfair. And
11 this is why we're going to countries like Mexico and Europe and
12 -

13 MR. TRUDEAU: You know, I want to talk about that.
14 Because I was talking to you, and you were telling me all the
15 challenges you were having in this country, being able to have a
16 program that seems to have effective results.

17 And by the way, I've talked to people that have been
18 using this for several months. Because I said no, no, no, this
19 sounds too --

20 MS. SABLE: Too easy.

21 MR. TRUDEAU: Yes. Let me talk to them. And I
22 understand that virtually there are tens of thousands of people.
23 As I mentioned, 2,000 people called on the last show you were on.
24 The phones were flooded with people wanting this program.

25 MS. SABLE: I often think at night before I go to bed

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1 of all the men that are rubbing their heads and saying, "This
2 woman better be right." I'm either being thanked or cursed all
3 across the country. And world. I'm in Russia already. Would
4 you believe it? I'm in Russia.

5 MR. TRUDEAU: Really?

6 MS. SABLE: In Russia. When the walls came down in
7 Russia, they called me. They heard about hair farming in Russia.
8 I couldn't believe it. I heard the news in the morning that the
9 walls came down. I get a phone call from a big professor in
10 Russia that wants to represent us.

11 MR. TRUDEAU: There you go.

12 MS. SABLE: I thought it was so funny.

13 MR. TRUDEAU: But I called people. And I said, "Look,
14 you've been using this stuff for how long?" "I've been using it
15 for three months." "And what are the results?" It's
16 unfortunate, but, you know, before we did this show, because we
17 were talking about this product, there are certain things I can't
18 even tell you, you can't even tell me on the air --

19 MS. SABLE: It's a shame, really.

20 MR. TRUDEAU: -- of what's occurring.

21 MS. SABLE: You have to remember that we're putting
22 dermatologists out of business. They don't make money on
23 pimples. They make money on hair transplants.

24 MR. TRUDEAU: Sure.

25 MS. SABLE: They make money selling Rogaine and

EXHIBIT C

21

1 Minoxidil. They don't make money on pimples any more.

2 MR. TRUDEAU: And these hair transplants and all these
3 other --

4 MS. SABLE: And scalp reduction, which is a horror. Do
5 you know that scalp reduction, they cut the whole top of the head
6 open?

7 MR. TRUDEAU: Oh.

8 MS. SABLE: They take the hair from above your ears and
9 pull it up top of your head and sew it in place.

10 MR. TRUDEAU: The things that people do just to --

11 MS. SABLE: Ten thousand dollars for that one.

12 MR. TRUDEAU: Unbelievable. Jacqueline, we've got to
13 take a break, because again, we're getting calls at the studio to
14 give out the 800 number again.

15 MS. SABLE: It's happening all the time.

16 MR. TRUDEAU: So hold on. We're going to take a break,
17 and we'll give out the 800 number for people who want information
18 on the hair farming system. Let's take a break.

19 MR. TRUDEAU: And we're back. This is Kevin Trudeau,
20 "Let's Talk, America." Our subject today is hair, hair loss.
21 And I'm talking with the founder of the hair farming system, from
22 Florida. I have her on the phone, Jacqueline Sable.

23 MS. SABLE: I was talking to you about Mexico.

24 MR. TRUDEAU: Yes, I wanted to ask you about that,
25 because I know that you were going over there in the next few

EXHIBIT C

22

1 actually today or something, to do all this filming, because the
2 Mexican government, the banks or something over there, want to
3 promote this, because they see the results.

4 MS. SABLE: That's right. And the main thing is that
5 when we do a Spanish TV show, we don't have the restrictions that
6 we have in the United States. They are not so involved with drug
7 companies, and they don't have the restrictions. You're able to
8 show the hair. You're able to show people returning their hair.
9 You're able to do a demonstration as part of an infomercial.

10 MR. TRUDEAU: Right.

11 MS. SABLE: In this country, you're not allowed to
12 advertise that you can put hair back on a bald person.

13 MR. TRUDEAU: Sure.

14 MS. SABLE: You can do interviews, like I've done in
15 the past on all the major talk shows. By the way, you'll soon be
16 seeing me on Oprah and Regis and Kathy Live, and I'll be in all
17 the newspapers, in all the news. We'll be announcing this around
18 the world.

19 MR. TRUDEAU: Well, once that comes out in the medical
20 journals, all of a sudden, bam, now all these people will, again
21 -- you've already been on several hundred talk shows all around
22 the country.

23 MS. SABLE: But, you see, that wasn't enough
24 credibility. When they see it in the medical journals, that's
25 when the trouble really starts.

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EXHIBIT C

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1 MR. TRUDEAU: The trouble. It sounds like the good
2 news for the people who have this problem.

3 MS. SABLE: Well, how many products in this country are
4 prevented from coming into this country, that can help people?
5 Think about it. How many people have got to go to Mexico for
6 cancer cures? How many people have got to go to Europe for
7 looking young again, and for wrinkle removal? I can name you a
8 list a mile long.

9 MR. TRUDEAU: Well, I, myself, I went to Mexico to have
10 a heart problem taken care of.

11 MS. SABLE: Thank you.

12 MR. TRUDEAU: With a treatment that wasn't available in
13 this country. And I tell people all around, I can't even mention
14 it on the air. It's unfortunate, because it's not available and
15 not legalized in this country yet.

16 MS. SABLE: Well, you're putting people out of work. I
17 mean, people at doctor offices have to be paid, nurses have to be
18 paid. You know, houses have to be paid for.

19 Now, it's like the car and the horse. That's my
20 position. And they didn't like that car too much, the people who
21 made the horseshoes and the horse carriages and so forth.

22 MR. TRUDEAU: Sure, I remember the whips being put out
23 of the --

24 MS. SABLE: Exactly. And the wagon wheels and so
25 forth. So here I come, little old me, little old hair lady,

EXHIBIT C

1 that's what they call me.

2 MR. TRUDEAU: The hair lady.

3 MS. SABLE: The hair lady, from Pompano Beach, Florida,
4 is taking on the whole United States, you might say. And it's
5 not fun. It's hard.

6 MR. TRUDEAU: But I have to tell you. My partner was
7 the most skeptical guy. And I started to tell you the story. We
8 put this on. And I saw the results. Just last night I hopped in
9 my car, and I was talking to him on the car phone. I said, "I
10 can't believe --"

11 MS. SABLE: Some of the hairs were probably three or
12 four inches long.

13 MR. TRUDEAU: Well, I tell you what. I couldn't
14 believe what I saw. And he couldn't. His wife couldn't believe
15 it. His two sons said, they were laughing. We were having --

16 MS. SABLE: You want to see the doctors' expressions.
17 The condescending look when I walk into their office. And then
18 their expression and the jaw that drops when they 10-inch-long
19 hairs popping out of a totally old, bald man.

20 MR. TRUDEAU: Jacqueline --

21 MS. SABLE: The hairs measure five years per inch.

22 MR. TRUDEAU: Jacqueline, the time has flew, and we're
23 going to have to sign off here in just a couple seconds. But I
24 wanted to thank you for spending the time with us. And I'm sure
25 I'll be able to get you back on this show again.

EXHIBIT C

25

1 I know you're going to Mexico for all this filming, and
2 people will see on television again what's happening.

3 MS. SABLE: There's a lot more I can teach people. So
4 I really hope we've been of some help. There's hope now. You
5 don't ever have to be bald any more. You don't ever have to go
6 bald, if you're a young person who's just starting to lose their
7 hair. And there's a lot of help that we can give you. So I hope
8 you do give us a call.

9 MR. TRUDEAU: That sounds terrific. Jacqueline Sable
10 of Sable Laboratories, thanks for being our guest.

11 MS. SABLE: Okay. Happy hair farming, everyone.

12 MR. TRUDEAU: Have a great day.
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EXHIBIT D

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FEDERAL TRADE COMMISSION

FTC MATTER NO.: 942-3278

TITLE: KEVIN TRUDEAU'S MEGA MEMORY
TELEVISION INFOMERCIAL

PAGES: 1 THROUGH 25

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

3 [Setting - nighttime scene of city streets, band playing in background, newspaper
4 articles with Danny Bonaduce's picture on them pan across the screen as announcer announces
5 the opening of the show and introduces Danny Bonaduce].

6 ANNOUNCER: First he has the hottest talk show in the city on WO
7 [INAUDIBLE]P radio, the Loop, now with the hottest talk show on television, it's the Danny
8 Bonaduce Show. With Danny's house band, the Critics, and special guest, memory expert,
9 Kevin Trudeau. And now our favorite member of the Partridge Family - Heeere's Danny
10 Bonaduce.

11 [Setting - Introduction ends. Scene of a talk show set (like The Tonight Show,
12 Late Show, etc. - band playing, Bonaduce enters the studio from behind an Arsenio style moving
13 wall, flash to cheering audience].

14 AUDIENCE: We love you, Danny!

15 MR. BONADUCE: [laughing] I thank you; I love you, I, I do. Thank you very
16 much, thank you very much [motions for cheering audience to quiet]. Thank you very much,
17 Thank you very much, Thank you for showing up for the show - I'd like to give a special thank
8 you to Chevy for showing up tonight. [points to police style outline on the floor of a dead body].
9 Thank you. [Audience cheers]. You know, I'll tell you what the problem with Chevy was, he
0 didn't play with the big boys, it's television, it's all about cars. It's who has the best car. Leno,
1 he's got himself a new Viper; Letterman - he drives a Viper. So what did I do? I went out and
2 got myself a Viper and here it is ... [red toy motorized car runs across the stage into Bonaduce's
3 right foot].

4 [Audience cheers, laughs].

5 What can I tell ya I don't have their budget! Let's say hello to the house band. the

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1 Critics. [points to band, camera on four piece rock band playing theme song] [back to Danny
2 seated at desk with Letterman style window behind him with a city background and large
3 microphone on desk].

4 All right, Mr. Montegna (band director), how is your memory?

5 MR. MONTEGNA: Oh, [INAUDIBLE] Danny, I'm lucky I remembered how to
6 get here today.

7 MR. BONADUCE: I have the same problem myself. I'm really glad that
8 memory expert Kevin Trudeau is on the show tonight - because I, I as you might expect, I don't
9 have quite the memory I should, uh I always knew that I was on a TV show but until I met Kevin
10 I always thought I was a member of the Brady kids.

11 [Audience laughs, shot on band].

12 Well, I'd like to bring out my first guest, he's memory expert Kevin Trudeau, he's
13 the founder of the American Memory Institute, the world's largest memory training school and
14 author of the number one self-improvement program in history, the Mega Memory - you've seen
15 him on all the television shows - he is one of the most sought after speakers and talk show guests
16 in the country. Please help me make him feel welcome - Kevin Trudeau!

17 [Band plays, Bonaduce applauds, audience howls. Kevin Trudeau walks out,
18 shakes hands with Bonaduce and seats himself in guest chair].

19 MR. TRUDEAU: How ya doing?

20 MR. BONADUCE: Real good. It's good to see you. Thanks for being on the
21 show.

22 MR. TRUDEAU: It's a pleasure.

23 MR. BONADUCE: All right first thing tell us about the American Memory
24 Institute and Mega Memory.

25 MR. TRUDEAU: Well, as you know, as you mentioned, what we are is the

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1 largest memory, memory training school in the world today and we teach people all around the
2 world how to release the photographic memory that people have right now, or instant recall
3 memory. Now I call it Mega Memory so that people can do some pretty amazing things like go
4 into a room and meet thirty or forty people and remember everyone's name or a student can
5 study for an exam and remember everything for the test and get a straight A or you can
6 remember phone numbers, things to do, foreign languages, uh, playing cards, um, anything all
7 like that that helps people be more effective in their business and even stop some of the absent
8 minded things, like did you ever have this happen to you, did you ever walk into a room in your
9 home and say, "Why did I come in there?" [All laugh].

0 MR. BONADUCE: Almost every day.

1 MR. TRUDEAU: Happened to you, right? Or you go to the store to buy milk
2 and you come back with ten things but you didn't buy milk?

3 MR. BONADUCE: Right, exactly, OK.

4 MR. TRUDEAU: Or where are my keys or where did I park the car? All these
5 little absent minded things we help people when we develop and release the photographic
6 memory that they have.

7 MR. BONADUCE: And the Mega Memory will do all that?

MR. TRUDEAU: Oh, yeah, as a matter of fact, we gotta do a demonstration first.

MR. BONADUCE: I was gonna say how about a little demonstration. Now I've
seen some of these demonstrations from you before.

MR. TRUDEAU: Yeah, on all the other talk shows I've been on and since you
asked...

MR. BONADUCE: Well if it's on the other talk shows I want it here. [All
laugh].

MR. TRUDEAU: OK. So I had a chance to meet some of the audience before

EXHIBIT D

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1 the show real quickly. If I had a, if I met you, stand up, if I met you just stand up real quick and I
2 what, I'm gonna do is I'm just gonna go around the room, real quick and call you off by name,
3 by memory if I get your name right have a seat and if by some reason I miss, you have to remain
4 standing for the rest of the show. So . . .

5 [Audience laughs].

6 OK, let's go over here. OK, we have Danelle have a seat, we have Neil, the
7 nickname Haje have a seat, back there we have Nick have a seat, York have a seat, Rob have a
8 seat, [shot on audience crowd of people standing up, each sits as he is called]: Elana have a seat,
9 Matt have a seat, Janice Nugemi have a seat, Jules Leave have a seat, Ordo have a seat, Anna I
10 believe have a seat, uh John have a seat, Donna have a seat, lets have Julie have a seat, uh Floyd
11 have a seat, Amy in the back have a seat, I think it's Charise have a seat, Debbie have a seat, And
12 then we have Gail have a seat, uh, let's see this is Pauly have a seat, Brenda have a seat, Jeff, we
13 have Ed, believe it's Anno, am I pronouncing it correctly?

14 MAN: Udo.

15 MR. TRUDEAU: Udo, OK, have a seat.

16 MR. BONADUCE: Unbelievable, unbelievable, unbelievable.

17 [Audience cheers, applauds etc.]

18 MR. TRUDEAU: That's, that's, that's, that's just to give you an idea, Danny just
19 to give you an idea of what can be done when you have a trained memory and it's something that
20 everybody can do right now.

21 MR. BONADUCE: That's what I was going to ask you. Are some people just
22 born lucky, with a better memory than others?

23 MR. TRUDEAU: Yeah, y'know that's probably one of the most common
24 misconceptions. Some people think, Oh, he y'know must have been lucky, and born with a good
25 and I just don't have a good memory. That's not the case. Every single person has a

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1 photographic memory right now lying dormant. It's an ability that everyone has. You see, you
2 remember everything that you see, hear and think about. If it comes through the senses it is
3 remembered. The problem though is recalling information. And let me give you an example.
4 And think about this and ask yourself this question. How many times, does it happen to you
5 where you walk into a bank or a grocery store and you see someone you know, I mean for
6 something like five years you know them a You know them and you go, oh "hi" and as soon as
7 you say "hi," the name goes completely blank in your mind, happen to anybody, here right?
8 [directed to audience, laughs] and the whole day doesn't it aggravate you? I know this guy,
9 what's his name? Can't remember. Three days later, at two o'clock in the morning, from
10 nowhere, the name just pops into your mind, oh it was Joe Smith. The question is did you really
11 forget in the first place? No! The information was in your memory. The problem was recalling
12 it when you needed it.

MR. BONADUCE: Yeah, when I remember it later, I'm so proud, I wake up my
wife. It was Bob! That's who it was at the bank! [All laugh].

MR. TRUDEAU: Yeah, yeah and it doesn't really help you then, you know.

MR. BONADUCE: No.

MR. TRUDEAU: Happens a lot of time. Three o'clock in the afternoon, you're
drinking coffee at your desk and you go, "oh I forgot to call Harry at noon." Well, you didn't
really forget, you did remember it at three, it you unfortunately just didn't remember it at noon
when you needed it.

MR. BONADUCE: Well, how does it work?

MR. TRUDEAU: Well, let me just give you an idea of how the memory actually
works and the mind works so people have an idea. If you can imagine a filing cabinet and in that
filing cabinet there is a thousand files all alphabetized, in alphabetical order. And I go, "Hey,
Danny, can you get me the Jones file?" Boom. Within seconds you can have that information at

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1 your fingertips.

2 MR. BONADUCE: Sure, it's under the J's.

3 MR. TRUDEAU: Right. But what would happen if we took the same files and
4 threw them on the floor and mixed them all up? I say, "Hey, can you find me the Harris file?"
5 You'd say, "Yeah, can you call me next Tuesday, I have to, I gotta go through this big mess.
6 Your mind is exactly the same way. You meet people everyday in you business and forget their
7 names. A student may be studying for an exam, maybe thinking of things to do. You may try
8 reading things or watching television or a business professional attending meetings and all you're
9 really doing is throwing information in the Grand Canyon of your mind. It's like taking that file
10 folder and throwing it into the room arbitrarily then when you try to go back to recall it and you
11 and you think, what was that guy's name? What was that phone number? What did I have to do
12 today? What were the directions? You go blank and you think you forgot. You didn't forget.
13 The information is in your memory, the problem is, it's just misfiled. So what we actually
14 developed when I developed the Mega Memory system is a way to teach the brain how to
15 develop mental file folders. So when you see something, when you hear it, or even if you think
16 about it without doing anything, the information automatically goes into a mental file and can be
17 instantly recalled just like a person's name, or anything at all.

18 MR. BONADUCE: All right, well, I went a little bit out of my way and made a up
19 list, a list of fifteen things.

20 MR. TRUDEAU: OK.

21 MR. BONADUCE: Now, I wrote them down. You haven't seen it before, uh, if
22 you're at home or you in the audience want to try and remember these fifteen things give it a
23 shot.

24 MR. TRUDEAU: Yeah, as he calls them out try your own to at home, and here in
25 the audience to see how well you can remember. test your own memory.

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1 MR. BONADUCE: All right, you ready?

2 MR. TRUDEAU: Yes.

3 MR. BONADUCE: Number one through fifteen. Number one "Larry Worth."

4 [All laugh].

5 MR. TRUDEAU: I'm sure there is something, I'm sure there's something, I'm

6 sure, behind that name.

7 MR. BONADUCE: Yes. It's my boos's name and I get one thousand bucks

8 every time I mention it.

9 [Laughs, applause]

10 MR. TRUDEAU: You did that on Arsenio too, didn't ya. . .

11 MR. BONADUCE: Now I'm doing it again! I know a good thing when I get a

12 hold of it.

13 MR. TRUDEAU: OK, number one is "Larry Worth," OK.

14 MR. BONADUCE: All right, number two is "table."

15 MR. TRUDEAU: Number two is "table," got it.

16 MR. BONADUCE: Three is "microphone."

17 MR. TRUDEAU: OK, three is "microphone," got it.

18 MR. BONADUCE: Four, "ashtray."

19 MR. TRUDEAU: Four is "ashtray," got it.

20 MR. BONADUCE: Five, the name "Art Eastland."

21 MR. TRUDEAU: OK, uh, "Art Eastland," got it.

22 MR. BONADUCE: OK, number six is a phone number. It's "541-2270."

23 MR. TRUDEAU: "541-2270," got it.

24 MR. BONADUCE: Seven, "passion fruit."

25 MR. TRUDEAU: Uh, "passion fruit," OK.

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1 MR. BONADUCE: Eight, "St. Lucia."
2 MR. TRUDEAU: OK, eight, "St. Lucia."
3 [Laughs]
4 MR. BONADUCE: Nine, "Chicago."
5 MR. TRUDEAU: Nine, "Chicago."
6 MR. BONADUCE: Ten is "paper."
7 MR. TRUDEAU: Ten's "paper," got it.
8 MR. BONADUCE: Eleven, "watch."
9 MR. TRUDEAU: OK, got it, "watch."
10 MR. BONADUCE: Twelve, "book."
11 MR. TRUDEAU: Got it, "book."
12 MR. BONADUCE: Thirteen, "constants."
13 MR. TRUDEAU: OK, thirteen, "constants."
14 MR. BONADUCE: Fourteen, "success."
15 MR. TRUDEAU: Fourteen, "success."
16 MR. BONADUCE: And fifteen, "money."
17 MR. TRUDEAU; OK fifteen "money." Now we kind of did this at a blistering
18 speed, but but check and see how well I can recall these by memory. I think they go something
19 like this. One was "Larry Worth." Two, of course was "table." Three was "microphone." Four
20 was "ashtray." Five was "Art Eastland." Six was the telephone number "541-2270." Seven was
21 "passion fruit." Eight was "St. Lucia." Nine was "Chicago." Ten, of course, was "paper."
22 Eleven was um, "watch." Twelve was "book." Thirteen was "constants." Fourteen was
23 "success." Fifteen was "money." And backwards, it goes, money - success then we have
24 constants, book, watch, paper. Chicago, St. Lucia, passion fruit, 541-2270, then we have. Art
25 Eastland, ashtray, microphone, table, and the first one was Larry Worth and that's forwards and

EXHIBIT D

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1 backwards by memory.

2 MR. BONADUCE: That's spooky!

3 [Cheers, applause]

4 Oh.

5 [Cheers, applause]

6 MR. TRUDEAU: Now, I gotta, gotta say something. I gotta say, 'cause when
7 people see me do that demonstration and remembering the names demonstration, I think it, you
8 know people can be impressed by that and think, "oh, wow that's something, that's really
9 impressive!" and even though I think it is . . .

10 MR. BONADUCE: It is.

11 MR. TRUDEAU: . . . an impressive demonstration. What can be done with a
12 trained memory, I tell people, please don't be impressed because it's something that everyone
13 can do right now. It's virtually an ability that everyone has.

14 MR. BONADUCE: Well, and I know that to be true as a matter of fact.

15 MR. TRUDEAU: Yeah, because, as a matter of fact, I was on your radio show,
16 "The Loop" in Chicago, one of the things you did, because I know you're not into sports . . .

17 MR. BONADUCE: I'm completely sports illiterate. As a matter of fact [All
18 laugh].

19 MR. TRUDEAU: And you, he was being harassed a lot by people calling up, the
20 callers, and what you did to in order to kinda make yourself a little more acclimated to the city
21 was, you took the Mega Memory course and committed to memory in about thirty minutes all of
22 the Chicago Bears.

23 MR. BONADUCE: It's true.

24 MR. TRUDEAU: Names, numbers, and positions.

25 MR. BONADUCE: Now, [inaudible]

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1 MR. TRUDEAU: Now, yeah, right

2 MR. BONADUCE: Now this list.

3 MR. TRUDEAU: Yeah, I brought with me and this was months ago, right?

4 MR. BONADUCE: Because I thought there were eleven people on a football

5 team.

6 MR. TRUDEAU: Right, there's uh

7 [Laughs]

8 MR. BONADUCE: Apparently there's fourteen thousand peoples on the Bears.

9 [Looks at the list, Mr. Trudeau shows list]

10 Look at that list. It's really unbelievable.

11 MR. TRUDEAU: Yeah, now and this was months ago and that you committed

12 this to memory so I just want . . .

13 MR. BONADUCE: Right.

14 MR. TRUDEAU: to call a couple and test your own memory. Here see how

15 well . . .

16 MR. BONADUCE: OK, yeah, right, right, all right.

17 MR. TRUDEAU: OK, what number? We'll start with an easy one. What

18 number if Jim Harbaugh.

19 MR. BONADUCE: Easy, four. And he's the quarterback.

20 MR. TRUDEAU: OK, that was an easy one. Let's go to more obscure players.

21 How 'bout Ron Cox.

22 MR. BONADUCE: Ron Cox is number fifty-four and he is a lineman.

23 MR. TRUDEAU: Ex, excellent. OK, how about Keith Van Horn?

24 MR. BONADUCE: Keith Van Horn, is number seventy-eight and he is a tackle.

25 MR. TRUDEAU: Excellent. And, uh, we'll do another one. How about Perry

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1 Snow?

2 MR. BONADUCE: Perry Snow is number ninety-six and he is also a linebacker.

3 MR. TRUDEAU: Not bad, huh?

4 [Cheers, applause, etc.]

5 MR. BONADUCE: And I cannot tell you, I cannot tell you how easy it was. It
6 really wasn't difficult to do at all. It took about thirty minutes.

7 MR. TRUDEAU: Yeah, that's one of the things about Mega Memory that's very
8 unique is the fact that it only takes only a few hours to learn the technology and when you release
9 that photographic memory learn for anything, whether it be for business, for a business, if you
10 are in business, or if you're a student wanting to recall things for test time or if you just impress
11 people it's pretty easy to do. Yeah.

12 MR. BONADUCE: Now, since I've done it on my radio show a lot of people
13 have asked me, isn't it all just word association?

14 MR. TRUDEAU: Yeah, y'know if anyone's out there very read a book on how to
15 improve your memory and I'm sure many people have, that's what you're probably exposed to
16 basic word association and you'll probably find out what I did - it doesn't work. Basic
17 association is very difficult and very cumbersome to use. Now I saw that problem evident also
18 so the Mega Memory technology is very unique where it's the only memory improving system in
19 the world that doesn't use basic word association as the technique to help you remember. It
20 simply consists of a series of mental exercises which stimulate parts of the brain cell and the big
21 words are "dendrites" and "neurotransmitters."

22 MR. BONADUCE: Oh yeah, I got lots of them.

23 MR. TRUDEAU: Right. [Laughs]

24 [Audience laughs]

25 All it virtually does is it releases the photographic memory people have so your

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1 eye becomes like a wide angle camera virtually picking up and recording everything it sees
2 whether you're focused on it or not. Your ear becomes a powerful tape recorder virtually
3 recording everything it hears whether you're focused on it or not, and so you remember things
4 without applying a technique. I gotta tell you a quick story. I was on one of the other talk shows
5 and one of the demonstration I did was I met the audience like I did tonight and remembered
6 everybody's name. Now we had a short period of time but I did about one hundred people
7 because we had a lot of time before the show and I came off and everybody was impressed, and
8 Ed grabbed me and said, "Sure, you could do that, but nobody else could." I said, "No, Ed,
9 anybody can do that and I'll prove it out on tonight's audience. You give me a student, a
10 business professional; give me someone in their sixties. I'll have them go through Mega
11 Memory, the home study course this week on their own. Next week Invite the four of us back on
12 the show and I'll have my brand new graduates do the same demonstration.

13 MR. BONADUCE: The same demonstration, with all of the names with the
14 audience?

15 MR. TRUDEAU: With all of the names, yeah, right.

16 Right. And it was a great way to get back on the program.

17 MR. BONADUCE: Right. [Inaudible]

18 MR. TRUDEAU: But, it was so exciting next week to see a sixty-seven year old
19 woman, by memory, rattle off over fifty people's names that she met just before the show.
20 Everyone was so impressed that she got a standing ovation and they grabbed her and they said,
21 "Hey, how did you remember those people's names?" and her answer was, "uh, I don't know!"
22 [Laughs]. She said, "I just remembered." And we all laughed hysterically. She looked at me
23 and she said, "What did you do to my memory?" And I said, "Well, I didn't do anything, I just
24 released the photographic instant recall memory you've had your whole life and now it's with
25 you forever." She grinned ear to ear and I said, "What's so funny?" She said, "I can't wait for

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1 my bridge club!" [Laughs]. She's gonna be a terror now on the playing cards.

2 MR. BONADUCE: Well, I want to talk to you about playing cards and it's gotta
3 be great for business and school, but right away, how do people get this course if they want it or
4 information on it, anyway?

5 MR. TRUDEAU: Sure, Danny, if people do want information on the Mega
6 Memory home study course they can call our 800 number which is on the screen, and as a
7 courtesy to the viewers, we will give them an over fifty percent discount off the regular price of
8 the course.

9 MR. BONADUCE: All right, now what about playing cards? Can you, can you,
10 like, if can you, go to Vegas with this?

11 MR. TRUDEAU: Yeah, I knew you were going to ask me that. [Laughs]. If
12 anybody, uh, uh . . .

13 MR. BONADUCE: Of course.

14 MR. TRUDEAU: It was funny I did a seminar a couple of years ago in Las Vegas
15 and uh we sold this thing out in a matter of days, like two days. Five thousand people complete
16 sell out and I was like, "This is amazing!" It's a self sell. We get there and there's five hundred
17 people we have to turn away at the door. And it dawned on me that this was Las Vegas, memory
18 cards, so I asked the crowd how many people here came here because they wanna learn how to
19 remember playing cards. Every hand in the room went up. I said well, it's going to be very easy
20 to do, with a powerful memory, but please don't use this as an unfair advantage against your
21 friends to make money. A guy in the back of the room yelled out, "Why not?"

22 MR. BONADUCE: I'm with him.

23 MR. TRUDEAU: But it is very easy for bridge players or card players and it
24 changes the game from one of luck to one of skill once you have an advantage.

25 MR. BONADUCE: All right. There are two areas where this has got to be very

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1 important. One of them has to be business. Does it help in everyday business?

2 MR. TRUDEAU: Yeah, it really does. Y'know, Dale Carnegie wrote a book
3 called How to Win Friends and Influence People

4 MR. BONADUCE: Right.

5 MR. TRUDEAU: it's the number two bestseller of all time, second only behind
6 the Bible, so it's a pretty credible book, but in that book, Carnegie discovered that a person's
7 favorite subject is really themselves. . .

8 MR. BONADUCE: Right.

9 MR. TRUDEAU: And a person's name is the sweetest sound in the language to
10 each one of us. It commands attention every time it's used, but most people really don't use that
11 fact to their advantage every single day in a business. As a matter of fact, let me ask the
12 audience a question by a show of hands, and be honest. How many people here has this actually
13 happened to, you walk up to someone for the first time, you shake their hand, that person gives
14 you their name, and as soon as that handshake breaks, the name kinda just drops to the floor.
15 Has that happened to anyone here?

16 [Audience shot. Raised hands].

17 MR. BONADUCE: Oh yeah. All the time.

18 MR. TRUDEAU: OK, yeah, OK. If you didn't raise your hand perhaps you
19 didn't understand the question.

20 [All laugh].

21 Happens to everyone and it's very embarrassing in business not remembering
22 names. I will say this, you go into a group situation, uh, a cocktail party or a business meeting
23 and you meet ten, twenty, thirty people and you leave and say goodbye to every single person
24 with their name; I guarantee when you leave the room they'll all remember you and the business
25 you're in because it gives you such a big advantage. You know I was doing a show in New York

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1 not too long ago and it was a call in radio show a fellow called up on the air, he says "Kevin I
2 saw you on TV about eight months ago, I bought your Mega Memory course. It was the best
3 investment I ever made for my business." I said, "Why's that?" He said, "You see I was
4 applying for a job on Wall Street, a job I really wanted, the problem was five hundred other
5 people were applying for the same position so in order to set myself apart, what I did was I
6 committed to memory every single person's name in the firm." He says, "Kevin, over the five
7 day interview process I must have met over fifty people. So everyday when I would walk back in
8 I'd call people by name that I met -- like hey, Franklin Milatello good to see you, John Sincotti,
9 nice to see you again. They were blown away." He says, "But the second thing I did is I
10 committed to memory all fifteen hundred of the New York Stock Exchange companies and their
11 stock symbols."

12 MR. BONADUCE: No way, fifteen hundred, really?

13 MR. TRUDEAU: Yeah, fifteen hundred. As a matter of fact, gentleman has
14 written a book on that, who has committed those to memory. It very easy to do and he said, "Oh
15 man, I was like a freak show. They say 'hey Charlie you gotta check this guy out!'"

16 [All laugh].

17 He goes he obviously got the job, has gotten three promotions, since then. I go to
18 meetings now without paper and pencil, I make presentations without notes, they call me the
19 walking computer. He says, "and the best part about it is now because of my powerful memory,
20 everyone thinks I'm smart."

21 [All laugh].

22 And he was kidding me and he goes, "and I don't know if it's true!"

23 [All laugh].

24 MR. BONADUCE: Well, let, let me test you the on how long things stay in your
25 mind, how many lists you've memorized. Number five.

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1 MR. TRUDEAU: Number five of course was Art Eastland, the name Art
2 Eastland.

3 MR. BONADUCE: OK, there we go.

4 MR. TRUDEAU: [laughs].

5 MR. BONADUCE: All right so uh, it'll help you make money in business. Now
6 how about school? It's gotta be really important for studies 'cause - now I remember talking
7 about being able to take notes faster than you can write by remembering it.

8 MR. TRUDEAU: Right, that's true.

9 MR. BONADUCE: Well, that's true.

10 MR. TRUDEAU: Yeah, 'cause you can remember faster than you can write
11 things down, and in, in school it's probably one of the most quantifiable ways you can determine
12 whether the powerful memory is helpful. We took an entire seventh grade class in the beginning
13 of last school year. They went through the Mega Memory system, just took a few days, a couple
14 of hours, very easy and at the end of the school year they had a big problem on their hands.
15 Eight months ahead of their school curriculum, lowest grade point average A minus, and they
16 tested the vocabulary levels of the seventh graders and they found to be those of sophomores in
17 college because they could remember all the words and definitions. I can't wait until they take
18 their SAT's. They were three years ahead in Spanish, because Foreign languages, if you ever
19 wanna learn foreign language it has a lot to do with memory, as you know.

20 MR. BONADUCE: Sure.

21 MR. TRUDEAU: Because I know you speak Japanese.

22 MR. BONADUCE: I speak Japanese, right. This has been very helpful with that.

23 MR. TRUDEAU: And, and has a lot to do with memory, learning foreign
24 languages.

25 But here's the most exciting statistic. Absentee rate virtually zero.

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1 MR. BONADUCE: Because school became what, more fun? More interesting?

2 MR. TRUDEAU: The kids loved to go to school. I can just imagine in class
3 going, "teacher, don't forget that test I studied for twenty minutes last night!"

4 MR. BONADUCE: So, your kids could definitely improve their grade point
5 average by, by taking memory course.

6 MR. TRUDEAU: Yeah, as a matter of fact, on my first television show we had
7 this fellow on there who was a law student who went from a 2.5 GPA to a 3.8 after going through
8 Mega Memory. But more importantly, he used to study as a law student three to five hours every
9 single day. After he went through the program, his study time went down to one hour a day and
10 his GPA went up from a 2.5 to 3.8. Matter of fact in the law firm he works in now, they call him
11 the walking genius because he has committed to memory virtually all of the case law he learned
12 in school. She he'll be sitting in contract meetings, and they'll mention something and he'll say,
13 "wait a minute, there was a case in 1975, it was a landmark case, in St. Louis, the judge was
14 Harrington, it was Shoemaker versus Augustine.

15 MR. BONADUCE: Oh, geez.

16 MR. TRUDEAU: And he'll recall the basic information. Then, they'll send a
17 gentleman to run to the law library to get the actual case. But having information at your mental
18 fingertips, fingertips like that really gives you a major advantage.

19 MR. BONADUCE: Make sure to give me his card. I've, I've been known to use
20 lawyers before.

21 [All laugh].

22 Um, um, one more time 'cause I mean people are going to be amazed by this.
23 How can we get a hold of it or at least get more information on the Mega Memory system.

24 MR. TRUDEAU: Sure, again, if people want to call us, they can call us at our
25 800 number which is on the screen and again as a courtesy to the viewers when they call in for

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1 information on the Mega Memory, our home study course, we'll give them an over fifty percent
2 discount off the regular price of the program.

3 MR. BONADUCE: Cool. Now what got you started in all this. How, what made
4 you wake up one day, and say, "I think I'll be in the memory business."

5 MR. TRUDEAU: Well . . .

6 MR. BONADUCE: "I think I'll teach people to memorize things."

7 MR. TRUDEAU: It was funny because a lot of people assume I had a good
8 memory my whole life and that really wasn't the case. I was told in high school that I had a
9 learning disability, a memory block. I virtually flunked out of high school and never went to
10 college and after I, I, I found that out, I said I figured I had to find a way to help myself to
11 improve my own memory and I read every book on memory and nothing worked because all
12 they taught you was basic word association.

13 MR. BONADUCE: Right.

14 MR. TRUDEAU: It didn't work. I then met a fellow who did a research report in
15 1975 at the Oklahoma School for the Blind in Muskogee, Oklahoma, V.R. Carter, was the
16 Superintendent back then, and he took thirty-five blind children and he improved their memory.
17 These kids were blind from birth, by the way, and he improved, in just five days, fifteen percent
18 recall ability to ninety percent in just the week.

19 MR. BONADUCE: Wow.

20 MR. TRUDEAU: They were so impressed that they tested the kids six and eight
21 months later to see if it stuck and most of the kids improved to ninety-five and ninety-eight
22 percent recall. So, it stuck. He duplicated the results with retarded kids with IQ's of only fifty
23 and sixty and the results were almost identical, lower memory in the beginning, dramatic
24 improvement in the nineties just a week later and a year later in testing almost hundred percent
25 recall ability with slow, retarded kids. Obviously we know at this point if we can teach blind and

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1 retarded kids it had to be an ability, a powerful memory, that everyone had. So I took that raw
2 data and put together, invested, if you will, over the next year the entire Mega Memory system
3 that we have today, founded the institute and just in the last couple of years over two million
4 people now, uh, Danny, have gone through the Mega Memory home study course to improve
5 their own memory.

6 MR. BONADUCE: Wow.

7 MR. TRUDEAU: It's the most utilized home study course utilized, as you
8 mentioned, in history. So we're seeing the results, we really are.

9 MR. BONADUCE: I'll tell you along these lines, we're hearing a lot about
10 Attention Deficit Disorder, do you know about that? Have you heard about that?

11 MR. TRUDEAU: ADD.

12 MR. BONADUCE: Right, ADD. Uh, will this help with that?

13 MR. TRUDEAU: It's a, it's a buzzword, ADD and we're getting letters and calls
14 more on this subject than any thing else and there are millions of people, children and adults who
15 are afflicted with this problem, and when I started looking at that because it has a lot to do with
16 memory, attention span, uh it didn't exist twenty-five years ago, thirty-five years ago it didn't
17 exist so I started to wonder if there is anything physically amiss. So I started doing the research
18 and we tested five thousand kids with ADD. One hundred percent of them hypoglycemic, they
19 eat too much sugar. Ninety-eight percent had food allergies, primarily monosodiumglutamate, the
20 casing in the milk, glutamate in wheat, red dyes. We had, uh, eighty-six percent had low grade
21 virus infections primarily in the Herpes family, Epstein Barr virus which is associated with
22 chronic fatigue syndrome.

23 MR. BONADUCE: Right.

24 MR. TRUDEAU: And then we had an eighty percentile candidiasis which is a
25 yeast overgrowth. When you combine these things together you get the symptoms of

EXHIBIT D

1 hyperactivity or a short attention span and not just for children, for adults. So we see that there is
2 a big correlation, there's a lot of controversy 'bout this, by the way, because the drug Ritalin is
3 the drug of choice to give.

4 MR. BONADUCE: Sure.

5 MR. TRUDEAU: And we don't agree with that as an option, but uh we think
6 through dietary change and we discuss this in Mega Memory, some of the things and options that
7 people can take to dramatically improve. Tell you a story about ADD. I was doing a show in
8 Cleveland, a fellow called up on the air and he says, "I have ADD." He says, "I'm flunking
9 Calculus, I have a straight "F" because I can't remember the calculus equations," he goes, " but
10 Kevin I got your course." And in lesson seven I teach everyone how to commit an equation to
11 memory in thirty seconds, a calculus equation. He says, "I can't believe it, I have a test
12 tomorrow. If I can remember twenty equations I'm gonna get an "A." I'm gonna give a
13 hundred." I says, great then you study for a half hour tonight and you call me tomorrow after
14 your test. Tell me how you did.

15 MR. BONADUCE: Half an hour?

16 MR. TRUDEAU: Sure. It takes thirty seconds each. So the next day he called
17 me at my home. So I says, "How'd you do?" He says, "Well I got good news and bad news," he
18 goes, "the good news is that I got a hundred percent on my calculus equations exam." I go,
19 "Man, that's great." He goes, "Yeah I was the first person done." I go, "What's the bad news?"
20 "What's the bad news is that the teacher won't accept the test because she figures I must have
21 cheated to get this "A."

22 MR. BONADUCE: Sure.

23 MR. TRUDEAU: I said, "Oh what do you have to do now?" He says, "I gotta
24 take it Friday in the principals office." I said, "Now how you gonna do on Friday?" Now here's
25 the best part. He says, "Kevin, I can't forget these equations even if I tried." You see, when you

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1 learn information properly the first time it's locked into the knowledge bank and you can recall it
2 and have access to it anytime in the future. Just like that list we did earlier. To be able to go
3 back and say, "yeah, number six was 541-2270."

4 MR. BONADUCE: That's right, all right how about number thirteen, then?

5 MR. TRUDEAU: Number thirteen of course, was "constants."

6 MR. BONADUCE: And, uh, lets go for the money, what was number one?

7 MR. TRUDEAU: Number one, of course, was "Larry Worth!"

8 MR. BONADUCE: All right.

9 [Laughs, cheers, etc.]

10 Now you were talking about allergies and things like that is nutrition, well, I
11 happen to know this from the course, and I find this very interesting. What is the correlation
12 between nutrition and memory.

13 MR. TRUDEAU: There is a big connection between nutrition and memory, and
14 Mega Memory is one of the only courses that talks about the foods you can eat, that can improve
15 memory, some of the supplements that people can take; herbs and so forth that'll improve the
16 memory function the way the brain operates. So, uh there's a lot to do with nutrition and
17 memory not only for children but for adults. I mean I'll just give you a prime example. Turkey
18 which is a wonderful food. we eat a lot of it today because it's low in fat and it's very high in
19 something called Tryptophane.

20 MR. BONADUCE: Right.

21 MR. TRUDEAU: Which is a natural sedative. The problem is after
22 Thanksgiving what do everyone want to do? Take a nap.

23 MR. BONADUCE: Go to sleep.

24 MR. TRUDEAU: Take, exactly. They think, "Oh it's because we ate a lot of
25 food." No, you eat a lot of food at other holidays but you don't fall asleep. We eat a lot of

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1 turkey, you're putting into your body a high dose of tryptophane and it makes you tired
2 physically as well as mentally. Makes you lethargic so that's an example of something to avoid
3 if you want to be mentally alert and mentally sharp.

4 MR. BONADUCE: I always thought turkeys were really boring.

5 [Laughs].

6 MR. TRUDEAU: Yeah, Yeah [laughs] 'cause

7 MR. BONADUCE: That must be what that's about,

8 MR. TRUDEAU: [inaudible] Yeah, let me tell you something else about this,
9 about nutrition. I was walking in New York City, Manhattan with the President of the NFL, he's
10 a good friend of mine. He has children. We were talking about nutrition, I was talking about
11 how Mega Memory virtually takes that eye, as you mentioned, and turns it into a wide angle
12 camera and your ear into a powerful tape recorder so you record this without trying. He says,
13 "Kevin, that's amazing! Let's put it to the test." So we were walking down Fifth Avenue,
14 "describe to me one of these storefronts." I said, "OK" and I thought for a second, he put me off
15 guard. I said, "One of these storefronts, there was a wicker chair, as a matter of fact, the bottom
16 rung was frayed. There was two uh, brown shoes with argyle socks. There was a black Chinese
17 cabinet with one, two, three, four, five drawers. The two in the top had a dragon, looked like a
18 tiger on the right," and I was describing in detail the wicker basket, the fruit, the type of fruit and
19 so forth and he . . .

20 MR. BONADUCE: Sounds like Elvis's room.

21 [Laughs]

22 MR. TRUDEAU: [Laughs]. So we, so we walked back about fifteen blocks and
23 we found this exact storefront with everything as I described it was exactly there. Let me tell ya
24 something, this guy was impressed.

25 MR. BONADUCE: I bet.

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1 MR. TRUDEAU: Well I looked in I was impressed. I go, I go, "Wow. This
2 really works." But that's the ability that everyone has right now and it can be released.

3 MR. BONADUCE: How about remembering the past? You know, I know you
4 can teach to remember things you're learning now but how about things you knew back then but
5 that you've since forgotten?

6 MR. TRUDEAU: Yeah, uh I got a call on a talk show years ago and this woman
7 calls up and says, "I'm so glad I'm talking to a memory expert. I went on vacation two years ago
8 with my husband and we hid our jewelry box where no one would ever find it," and she said,
9 "and no one has every found it including me." I said, "No, I can't help," and I thought about and
10 there's a lot of things if it did come in through the senses or even if you thought about it is
11 permanently recorded in the memory so I do have a technology now called "How to Remember
12 Things in Your Past" and it's excellent for if you lost a ring, a piece of jewelry, if you met
13 someone in the first grade that you think, "I know that person but I can't remember his name." It
14 is in the memory and it can be accessed very easily.

15 MR. BONADUCE: This is amazing, once again, how do people get more
16 information on Mega Memory?

17 MR. TRUDEAU: Sure, again if people wanna call us, they can call us at our 800
18 number which is on the screen. And again as a courtesy to the viewers when they call for
19 information on Mega Memory our home study course, we'll give them an over fifty percent
20 discount off the regular price of the program.

21 MR. BONADUCE: All right. What was number three?

22 MR. TRUDEAU: Uh, number three was "microphone."

23 MR. BONADUCE: What was number twelve?

24 MR. TRUDEAU: Twelve, of course, was "book."

25 MR. BONADUCE: And eight?

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1 MR. TRUDEAU: Eight was oh, "St. Lucia," which us, there's something behind
2 St. Lucia, right?

3 MR. BONADUCE: I, I, happen to be going there next week on vacation, and I
4 can't wait.

5 MR. TRUDEAU: I knew that. [Laugh].

6 MR. BONADUCE: That's amazing, now, and a lot of people are going to ask if
7 that takes an enormous amount of practice.

8 MR. TRUDEAU: Yeah, a lot of people think that you have to work at it and
9 practice. And Mega Memory's unique in that regard. Since we're not teaching basic word
10 association it's not something that you have to practice like a skill to keep up or requires a lot of
11 hard work to learn. It's more like an ability that's being released. And I'll give you a good
12 analogy, learning how to ride a bicycle. Learning how to swim, learning how to drive a manual
13 speed transmission on a car. Once you learn how, the ability is now released, it's with you
14 forever there's no constant practice. I mean if you didn't go swimming in twenty years and I
15 throw you into the deep end of the pool, you're really not gonna drown, you're gonna swim like
16 a fish. It's an ability that's been released. Or if I put you on a bicycle tomorrow which you may
17 not have ridden in five or ten years, boom, you still ride the bike. Same with the memory once
18 it's released it's with you forever.

19 MR. BONADUCE: Thank you very much. We've been talking with Kevin
20 Trudeau, author of Mega Memory. Thank you very much for coming. Thanks to the Critics.
21 Thank you and thank you, Kev.

22 [Shake hands].

23 MR. TRUDEAU: Thank you very much, Danny.

24 [Cheers. Camera shot of behind the audience. Band is playing].

25 [Graphic appears on the screen as follows: For more information on the Mega

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1 Memory Home Study Course call. Copyright MCMXLIII Mega Systems, Inc., 5211 86th Ave.,
2 Suite G, Mernville, IN 46410 (219) 736-6172. Mr. Bonaduce speaks over graphic].

3 MR. BONADUCE: Hi, this is Danny Bonaduce. Thanks for watching the show.
4 I just want you to know that I have personally gone through Kevin's Mega Memory home study
5 courses and I highly recommend and endorse the program. It's great if you wanna make more
6 money in your career, get straight "A"s in school with less study time or just develop a
7 photographic memory, call the 800 hundred number and get yourself the Mega Memory course.
8 It's fun, it's easy and it works! This is Danny Bonaduce and remember, I love you!

9 [Camera shot on playing band, audience applauding].

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Complaint

EXHIBIT E

MEGA MEMORY

12/14/94

Hello, thank you for calling the American Memory Institute, this is _____ and I'm glad you called, how can I help you today?

Customer: What's the price?

- Great I'd be happy to help you with that. Now, did you hear about us on the television or radio?
- Were you considering this for yourself, or for someone else?

-If someone else ask, "Is this for your children?". Pitch the bene's...*ad lib like crazy!*

-If for the caller...

Will you be using this for work or study? (*do this regardless of how old they sound*)

Student... What are you studying?

Would you find it helpful to cut your study time in half and improve your grades at the same time?

Working... What kind of work do you do?

Do you find it difficult to keep track of daily details in your work?

BENEFITS

(this is a foundation, benefits change depending on what caller does...you must call)
 Students-earn straight A's, cut study time in half, improve confidence and self image.
 Business-remember important client information, names, faces, schedules, important details.
 Domestic-shopping lists, names, birthdays, speeches, poetry, scripture, playing cards.

Essentially what Kevin teaches you is a mental filing system. It's an organizational system for your memory that is being used by over 2 million people! (#1 self improvement system in history!) He shows you how to put things away in your memory in a sequential order, so that when you go looking for them you know right where there are. We all have a photographic memory, it's just that we haven't been shown how to use it.

The course itself is primarily an audiocassette tape program, there is also a video tape and two workbooks. The lessons are about 25 minutes each, nice and short for kids or commuting back and forth to work and it's very simple to go through.

You'll start to see results after the first couple of lessons and we guarantee you'll have a minimum improvement of at least 500% in your memory, and that is measurable because you're tested on the lessons.

Now if you were to attend Kevin's live training the cost would be \$300, but since you heard the special promotion, you can get the home study program for a 50% discount from that. The program would be \$149.95 and it comes with a 1 year trial period. That's a one year unconditional money back guarantee, if you're not satisfied for any reason, just return it and we'll give you a full refund of the purchase price, no questions asked and we can do that with a Visa or Mastercard today, which would be best for you?

MSI/SALBERG COMPLAINT EXHIBIT E
 TRUDEAU COMPLAINT EXHIBIT J

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EXHIBIT E

Mega Memory Pricing Information

	DISPLAY:	Complete Package	Basic Package	Advanced Only
Price Info	Product Price:	\$149.95	\$69.95	\$79.95
	S & H	\$17.50	\$9.55	\$9.50
	Subtotal:	\$167.45 (\$169.94 in Indiana) (\$174.45 in Illinois)	\$79.50 (\$83.00 in Indiana) (\$85.10 in Illinois)	\$89.45 (\$93.95 in Indiana) (\$95.85 in Illinois)
Upsell Info	Upsell Price:	\$19.95 - Get Smart, Inc. Healthy \$29.95 - Spell \$29.95 - Spell	\$19.95	\$19.95
	Add'l S & H	\$0.00		
	Total Price:	\$187.40 w/ Get Smart \$197.40 w/ Spell \$187.40 w/ Get Smart \$197.40 w/ Spell	\$99.45 w/ Get Smart \$109.45 w/ Spell (\$114.45 in Indiana) (\$117.44 in Illinois)	\$109.40 w/ Get Smart \$119.40 w/ Spell (\$124.90 in Indiana) (\$127.19 in Illinois)

Canadian Shipping - shipped via Fed Ex (NO PO Boxes!)

		Complete Package	Basic Package	Advanced Only
Price	Product	\$149.95	\$69.95	\$79.95
	S & H	\$17.50	\$17.50	\$17.50
	Subtotal	\$167.45	\$87.45	\$97.45
	Total w/ Upsell	\$187.40 w/ Get Smart \$197.40 w/ Spell	\$107.40 w/ Get Smart \$117.40 w/ Spell	\$117.40w/GetSmart \$127.40 w/ spell

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EXHIBIT E

Mega Memory Addtl Information

Delivered in US by: US Mail Delivery time: credit card - 3 weeks or 4-6 weeks for checks

Delivered in Canada by: Fed Ex (No P.O. boxes) 3 week delivery

(Rush Orders: addtl \$15 for 5 business day Fed Ex delivery on 3XXX and 7XXX)

Charge will appear on their statement as: Mega Systems

Make checks or money orders payable to: Mega Memory

Send checks or money orders to: Mega Memory, PO Box 888

Dept. T for 77XX or Dept A for 3XXX and 76XX

Morton Grove, IL 60053

NOTE: Only 05, 259X, and 4411 come to Portland, ME.

All others go to Morton Grove. No exceptions.

UPSELL # 2 INFORMATION

I wanted to tell you about a book that will go great with your Mega Memory program. It's by Dr. Alex Duarte and it's called *Get Smart, Eat Healthy*. It has a special section on memory and it gets into the details about vitamins and other food supplements that can help really enhance your memory. There's a chapter on foods that *reduce* memory abilities. It usually sells for \$69.95, but with your order today, it's only \$19.95. It still has the same guarantee, would you like to add this to your order?

UPSELL # 2 INFORMATION

Oh, by the way, Kevin has just released his brand new tape series called, "5 Minutes a Day to Perfect Spelling." You'll be able to write letters, business correspondence, reports, anything -- and you'll use the right words and spell them correctly every time! There are no tricky spelling rules to learn, and you'll learn to spell automatically - with no effort! It's like having a permanent "spell check" in your head! Like the title says, it only takes 5 minutes a day and you'll be a perfect speller. It sells for \$59.95, but since you've ordered Mega Memory today, it's only \$29.95 with no extra shipping and handling. Since this is a brand new program, everyone who orders will receive Kevin's two lesson course, "How to Remember Everything in your Past" FREE! It's a \$19.95 value that has sold over a million copies! This complete package is also still covered by the same one year unconditional money back guarantee. Shall I add this to your order?

Customer Service - 1-800-323-3938. To cancel hold orders, give 800-695-8374.

To Reach Kevin Trudeau: Corporate Phone Number - Mega Systems, Merrillville, IN
219-736-6172

Address: Kevin Trudeau
PO Box 11031
Merrillville, IN 46410

Complaint

125 F.T.C.

EXHIBIT E

MEGA BASIC

Names
Dates
Facts
Figures
Faces

MEGA ADVANCED

Large Amounts of Info
(textbooks, scripture, technical product info)

Large Series of #'s

Calculus Equations

Playing Cards

Statistics

Attention Deficit Disorder (A.D.D.)

Diet & Nutrition

+ The Video Never Forget Another Name

*...And it will take you to the full
potential of your memory!*

EXHIBIT E

Basic Package

8 audio cassette tapes

1 workbook

1 pocket guide

The basic package of Mega Memory sold over 1 million copies before the advanced package was ever produced. Due to extreme positive response from the basic course, Kevin went on to produce Advanced Mega Memory. The basic course takes about 8 hours to complete and still guarantees a 500% improvement in memory retention. It covers how to remember names, dates, facts, figures, etc. and is an excellent "start-up" course to unleashing a perfect photographic memory. You want to be careful that you don't "downgrade" the basic package to make it seem like it won't be worth their time.

Complete Mega Memory Package

14 audio cassette tapes

1 video entitled, "Never Forget Another Name"

2 workbooks

1 pocket guide

The advanced package is for anyone who is serious about reaching their full memory potential. It takes a 12-14 hour time commitment to complete. This package will go into greater detail about how to remember names with the help of the hour long video. It also goes into specifics on remembering enormous amounts of information, large series of numbers, math formulas and calculus equations, playing cards, statistics, and much more.

Upsells:

Our upsell rate on Mega Memory has been very low. You always need to try to sell the past tape. Some things to always mention when selling the past tape are:

1. Oh, I almost *forgot* to mention (ha, ha) the latest tape that Kevin has just produced. (this needs to be said sincerely and as sort of a joke, too)
2. This tape is usually \$19.95 but since you placed an order today, you can get it for only \$9.95 with NO extra shipping!
3. This tape is also covered under the 60 day money back guarantee and you could return just that one tape if you choose to for your \$9.95 back.
4. If you change you mind and call to order it later, we'll have to charge \$19.95 plus shipping. Now is the time to buy.
5. This technology allows you to selectively choose things you want to remember. It's not as if all your memories will come flooding back to you.
6. We had a guy call us to tell us that he lost his glasses many years ago and when he got this tape he remembered where they had fallen off. Incredible!

EXHIBIT E

Help Sheet - Overcoming Common Objections

1.) I have to talk it over with my spouse.

- Well, I completely understand that. There are a lot of people who make those kinds of decisions together. Let me ask you this, could he/she use a better memory, too? Does your wife/husband like to save money? Do you think your wife/husband would be pleased if you saved her/him \$160? Since you have the money back guarantee, you have nothing to lose, right? Which is better for you, Visa or Mastercard?

2.) First request for literature.

- Of the two million people who've done Mega Memory, most of them tell us that it makes more sense to evaluate course by *using* it - rather than by trying to make a decision from a brochure. We can send you the Mega Memory program with an unconditional 60-day money back guarantee which means if you're not completely satisfied after using it for 2 full months, we'll refund the purchase price —no questions asked! Two months would be enough time for you to evaluate the program, wouldn't it? You'd like to take advantage of the 50% savings, right? Which is better for you, Visa or Mastercard?

3.) Second request for literature.

- Are there other questions you have that I haven't answered for you? (Answer each question, then go for the close.)
- I'd hate to see you miss out on this substantial savings today. This is a special price, and since we've started this promotion, there's been an unbelievable response! You've already taken the first step to improving your memory by calling! With a . . . unconditional money-back guarantee you have nothing to lose, right? Based on that, let's get you started with Mega Memory, fair enough?

4.) Can this work for people with learning disabilities, ADD, dyslexia, or head injuries?

- These techniques were perfected with blind and retarded children back in the early 70's. Through research, we've found that everyone can improve their memory with this program (except Alzheimer's patients). We guarantee a minimum 500% improvement in memory, but the average person has a 1500-2000% increase in memory retention! I think you'll agree that any degree of improvement in memory is worth it, isn't it? We want you to try the program, for 60 days, with an unconditional guarantee. You be the judge of the results - I know you'll be satisfied because I've heard from people just like you who have had tremendous success. Would you prefer Visa or Mastercard?

EXHIBIT E

5.) I'd like to think it over before I order.

- Is it the money, or is it something else?

If money:

If I could break it up into two easy payments would you buy the program today? (If yes..)
Well, then what I can offer you is the basic course first - which covers how to remember names, dates, facts, and figures - and it's an excellent way to start to unleash a perfect photographic memory! The basic course contains 8 audio cassettes instead of 14, one workbook instead of 2, and although you don't get the video, you still get the handy pocket guide. And remember, this technology was developed with blind and retarded children - so it's easy to learn - and once you know it, you don't have to practice. By ordering today, the basic course is only \$69.95 plus \$9.55 shipping and handling - and we still honor Kevin's 60 day money back guarantee. When you're finished the basic course, you can call back and order the remaining tapes. That would be better for your budget, right?

If it's something else:

(Find out their real objection) Let me ask you a question, a \$139 investment is reasonable for something that's going to help you (and your family) for the rest of your life, isn't it? You'd like to have a powerful memory like Kevin does, wouldn't you? Well, you'll start seeing the results by lesson 3! You've already got the ability to never forget! You can't forget how to swim or tie your shoes, can you? Of course not! This course allows you to use the ability you already have - you just haven't been shown how to use it! Would you like to get started with a Visa or Mastercard today?

Some common "tie-downs" you can use throughout your pitch:

- You can see how you'd benefit from a 500% improvement, can't you?
- A 60 day money back guarantee is pretty fair, isn't it?
- Having a better memory would certainly benefit you, wouldn't it?
- You can see how this program would help you, right?
- Spending a half hour at a time on a lesson is reasonable, isn't it?
- If you could take a pill for \$140 dollars that would improve your memory, you'd swallow it, wouldn't you? Hal Hal Then what are you waiting for?
- You probably know other people this program could help, don't you?
- You probably know people who have good memories, right? Well, how would you like to have a great memory?
- \$139 is a reasonable investment for something that will help you (and your family) for the rest of your life, right?

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EXHIBIT E

STUDENTS

- they'll know the answers to test questions easily
- spend less time studying
- raise their grades and the possibility of scholarship money for college
- increase their overall efficiency
- improve their self-image, more confidence in themselves
- less stressful because they have more confidence in remembering things
- easily impress teachers and others - making school visits enjoyable
- learn foreign languages faster and with ease
- math formulas

BUSINESS/PROFESSIONAL USE

- remember people's names easily
- remembering appointments and things to do
- instantly recall details about important clients, prospects, associates
- remember facts, figures, statistics
- do presentations without notes
- impress people with your ability to remember (Wall Street story)
- directions to important meetings

HOME/PERSONAL USE

- remember shopping lists
- memorize playing cards
- study Bible scripture
- study foreign languages
- remember telephone numbers
- remember directions
- birthdays and anniversaries

SUCCESS STORIES

- chemist - memorizing the periodic table of elements
- doctors - memorizing all bones and muscles in the body
- lawyers - all the information about their clients and facts to win their cases
- accountants - memorizing all the tax
- teachers/educators - giving their students the advantage over the others, putting them way above grade

EXHIBIT E

Notes*Children*

The course is effective for anyone age 10 to the very elderly, however, children below age 10 can use the program with supervision. Now the program isn't too complicated for them, but their attention span at that age is limited. So, we recommend that you do the program with them and when they've lost concentration, turn it off, and go back to it when they're ready.

Students

Stress is a major factor in why students do poorly on tests. Mega Memory will teach them how to be relaxed and confident before taking their tests. Students will get better grades in less study time because they'll actually learn how to recall information when they need it.

Professionals

People who can walk into a room and meet 30 new people and remember their names, both first and last when leaving really leave an impression. They appear to be smarter than their coworkers and often times it's the little things that get you that promotion, close that sale or get you the new job you've been trying for. Dale Carnegie said it in his best selling book, *How to Make Friends and Influence People*. The sweetest sound in the language to a person is his name. If you want to make a favorable impression, call people by their name and watch them respond.

Seniors

The human brain is like any muscle in the body. The more you use, and exercise it, the better it will respond. Senior citizens are one of our largest markets. They assume because they're getting older, their memories are going to fade. It isn't necessarily so. The Mega Memory system allows people to stimulate their neuro transmitters and begin to dust off some of the cobwebs and see dramatic improvement in their recall ability.

Generic

The Mega Memory System teaches people how to file and retrieve information when they need it. At the Institute, Kevin Trudeau and his staff were able to prove that we are all born with perfect, virtually photographic memories. We remember everything we see, hear, feel and touch. The problem is recalling that information when we need. We like to explain the system as a mental filing system. For example, picture a room and in that room there were 500 file folders thrown all over the place, on the floor, on shelves, everywhere. I ask you to get me the Jones file and your response would be, yeah right, come see me in a couple of days. However, if you had filed the folders alphabetically in a cabinet, you would walk over and open the drawer, look under J and pull out the folder, simply and easily. That's what the Mega Memory System will do for you. Teach you how to organize and retrieve information simply and easily.

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EXHIBIT F

Today! The Amazing Memory Secrets From A Man Who Virtually Flunked Out Of High School



Imagine meeting 50 people and remembering all of their names. Imagine giving a presentation and having facts, figures and details at your fingertips without having to "check your notes." Imagine having a 500% increase in your memory. Imagine recalling telephone numbers, playing cards, things to do, conversations, directions, appointments, addresses, everything you see, hear, read or even think about, all effortlessly. Imagine remembering everything for tests or increasing your intelligence, self-confidence, etc., impressing everyone you meet. Imagine having a perfect PHOTOGRAPHIC MEMORY! With the American Memory Institute's revolutionary exclusive techniques taught in the "MEGA MEMORY" home study course—NOW YOU CAN!



Kevin Trudeau, Founder
American Memory Institute

"A lot of people think I've always had a photographic memory, but that's not true. As a matter of fact, I virtually flunked out of high school before I decided that I needed some help, and that's when I began developing the memory techniques that have made the American Memory Institute the world's most popular memory training school.

"There's a proverb I learned long ago that had a big impact on my life: 'It's not what you eat, but what you digest, that makes you strong. It's not what you earn, but what you save that brings you wealth. And it's not what you learn, but what you remember that makes you wise.' Best of luck with my program."

You've Seen It On TV
Now Put It To Work For You
UNBELIEVABLE? Not if you've seen or heard Kevin Trudeau in one of his thousands of television or radio appearances. Not if you have seen these amazing techniques

demonstrated on "The Tonight Show," "That's Incredible," or "20/20." Not if you have read about them in newspapers and magazines coast to coast. Not if you have seen him live with Zig Ziglar, Brian Tracy, or Charles "Tremendous" Jones.

Kevin Trudeau is the founder of the American Memory Institute, the world's largest memory training school, whose techniques have revolutionized and simplified memory development. And now you can experience, simplified memory techniques for yourself.

Memory Means More Money

In sales and business, a great memory means money! Why? Because, no matter what business you are in, you're really in the people business. Having instant and long-term recall of names makes you likable and helps people remember you! After all, a person's name is the sweetest sound to his or her ears. Plus, when you have instant recall of facts, details, and people, you appear more intelligent. **IN JUST 3 HOURS** you will begin to unleash the powers you already have! You will finish this course feeling powerful, in control and self-confident, and people will envy your new super memory ability.

Not Basic Association, Mega Memory Works While Others Fail

Maybe you've tried other memory courses and failed or found them hard to learn or difficult to use. **NOT** this time! Kevin Trudeau's breakthrough techniques were developed while working with blind and mentally handicapped students. Their recall ability increased from 15% to 90% in just 5

days! Because these methods have been proven under the most difficult circumstances, they're guaranteed to work for you! Kevin's breakthrough techniques that you'll learn in this course allow you to release your own perfect photographic memory...effortlessly!

Knowledge Is Power, But Only If You Can Remember It

There is no such thing as a good or bad memory, only a trained or untrained memory. The easy-to-follow systematic method Kevin will teach you actually stimulates neurotransmitters in the brain to increase your memory and mental capacity. You'll remember everything you see, hear, read or even think about! What an advantage in your personal and business life!

Share It With The Whole Family Everyone Will Benefit From Their New Abilities

MEGA MEMORY is fun for the whole family to do together. Your children's self-confidence will soar. They'll find learning fun and exciting with their new super power instant recall memory. And they'll actually enjoy school. You will see their grades skyrocket with MEGA MEMORY. You'll be giving your children a gift that will last a lifetime!

One Year Money Back Guarantee

If you are not completely satisfied for any reason, simply return the program within one year for a full refund. You get to see for yourself...**RISK FREE!**

Over 1 Million People Can't Be Wrong!

- ✓ "A bargain at two, three, four times the price." *Manager Honda Sales*
- ✓ "I have not only improved my recall of names and facts, but I can memorize a group at cocktail parties!" *V.P. Sales A.G. Edwards*
- ✓ "Of the 40 of our associates who took the program, a substantial number have reported increased earnings as a direct result of these improved skills." *Vernon A. Martin Realtor*
- ✓ "I have tried every memory course available. Kevin Trudeau's program MEGA MEMORY is light years ahead of them all. I would pay \$1,000.00 for this one." *Dr. Alex Duarte*
- ✓ "Kevin Trudeau is a genius... the best teacher I have ever listened to. Priceless information!" *Prudential Insurance*
- ✓ "My GPA went from a 2.5 to a 3.8! It is the best thing I have ever done!" *Kevin Bruen College Student*

EXHIBIT F

What Is Your MQ? Take This Test And See For Yourself:

- 1 Have you ever been embarrassed by forgetting someone's name ten seconds after shaking his or her hand?
- 2 Do you need to remember product knowledge, facts or statistics in your profession?
- 3 When you make a presentation, do you feel more comfortable with notes or do you forget facts and details only to remember them later when it is too late?
- 4 Do you read books and magazines or attend seminars and wish you could remember more of the information?
- 5 Have you ever forgotten to call someone or mail a letter?
- 6 Have you ever been unable to call someone because you had forgotten his or her telephone number?
- 7 Have you ever had to apologize for forgetting an important meeting, appointment, birthday or anniversary?
- 8 Have you ever misplaced something (such as keys, important papers, etc.)?
- 9 Have you ever forgotten directions, or an address, or forgotten to stop at the bank, cleaners or a store on your way home?

**Scoring - If You Answered Yes To 4 Or More Of These Questions,
You Need *The Mega Memory System* To Succeed!**

The Mega Memory System

The Mega Memory System contains 14 audio cassettes, 2 easy-to-use workbooks, and a handy pocket guide. Your personal instructor on all the cassettes is Kevin Trudeau, President and Founder of the American Memory Institute, the world's most popular memory training school.

We're also including, as a special gift, Kevin's popular TV video "Never Forget Another Name," yours **FREE!**

As Kevin teaches you his revolutionary memory techniques, you'll begin to see a difference almost immediately. You'll learn the secrets of organizing your thoughts. Amazing as it may seem, you already have the capability to remember more things—and recall them instantly—when you learn how to release the power of the subconscious mind. Not only will you see increased memory abilities, you'll also experience increased mind power as well.

Your increased mental powers will allow you to get more from life, and people will actually think you're smarter. That's because, as Kevin says, "It's not what you *learn*, but what you *remember* that makes you wise."

- ✓ Never Forget Another Name
- ✓ Memory Means More Money
- ✓ Better Grades In Less Study Time
- ✓ Easy-To-Learn Home Study Course
- ✓ Not Basic Word Association
- ✓ Revolutionary And Exciting New Techniques
- ✓ World's Largest Memory Training School
- ✓ Used By Over 1 Million People

Complaint

125 F.T.C.

EXHIBIT G

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FEDERAL TRADE COMMISSION

FTC MATTER NO.: 942-3278

TITLE: DR. CALLAHAN'S ADDICTION BREAKING
TECHNIQUE TELEVISION INFOMERCIAL

PAGES: 1 THROUGH 28

MSI/SALBERG COMPLAINT EXHIBIT G
TRUDEAU COMPLAINT EXHIBIT F
CALLAHAN COMPLAINT EXHIBIT A

973

Complaint

EXHIBIT G

PROCEEDINGS

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

4 MR. TRUDEAU: Thanks again for joining me. I'm Kevin
5 Trudeau, and this is another edition of "A Closer Look."

6 Millions of people are addicted to food and are
7 overweight, constantly struggling with diet after diet, exercise
8 program after exercise program, yet more people are fat today
9 than ever before. Millions, too, are addicted to cigarettes and
10 can't quit, and probably millions more suffer from some kind of
11 addiction, compulsion, or phobia.

12 My guest today is Dr. Roger Callahan, an expert in the
13 field of addictions, phobias, stress, and traumas. He has been
14 featured on virtually every major TV and radio talk show,
15 including "Donahue" and CNN. He has been a best-selling author
16 whose revolutionary treatment for losing weight and quitting
17 smoking takes less than three minutes with 95 percent success.
18 If you smoke and want to quit, or if you want to lose weight once
19 and for all, today's show could be an answer to your prayers.

20 Dr. Callahan, thanks for being my guest today.

21 DR. CALLAHAN: Kevin, a pleasure to be with you.

22 MR. TRUDEAU: You know, I have to tell the viewing
23 audience how I met you because it was a fascinating story. As
24 you know, we do a series of infomercials like this where we
25 market different products, and I saw your ad in an airline

EXHIBIT G

2

1 magazine for the five-minute phobia cure. And I thought, you
2 know, that would be a great product for us to market if it works,
3 and I called you on the phone to discuss it with you, find out
4 your background; and I learned all about your, you know,
5 expertise and the books you've authored with the major book
6 publishers and your experience on CNN and "Donahue" and so forth.

7 And you said, Kevin, not only will we get rid of
8 phobias, but the treatments that you discovered, that you
9 invented get rid of addictions like food addictions so people can
10 lose weight easily without trying to diet. They can just lose
11 the weight because they reduce the urge to overeat.

12 You can reduce smoking, alcoholism, any type of
13 compulsion, depression, jealousy. And I was fascinated. I said
14 really, can you get rid of smoking? He said, Oh, yeah. I said
15 well, doctor, I smoke cigars, about six cigars a day, if you
16 remember this conversation -- I was calling you on the phone.

17 DR. CALLAHAN: Yes, I do, yeah.

18 MR. TRUDEAU: And I said I had gone to, for the last
19 six years, the top people in various fields trying to get rid of
20 --

21 DR. CALLAHAN: You mentioned some names to me, and they
22 were, indeed, the top people.

23 MR. TRUDEAU: The top people in hypnotists. I bought
24 subliminal tapes. I bought other types of tapes. I'd been to,
25 you know, different types of therapies -- biofeedback. I got

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Complaint

EXHIBIT G

3

1 accupressure, acupuncture. I, I got the patch. I got an ear
2 clip that uses some type of Chinese thing. I got magnets --
3 everything to try to quit. I bought little devices to try to cut
4 down, and nothing worked. And worse, I was just more stressful
5 trying to quit.

6 And you said, "Well, Kevin, the next time you have an
7 urge to smoke a cigar, you call me." So I called you on the
8 phone a few days later because for the first two days I didn't
9 want to call you. I was afraid you were going to take the cigar
10 away from me.

11 So I called you on the phone and said, Doctor, I really
12 have to smoke a cigar right now. And I remember this because it
13 wasn't that I wanted to; I had to.

14 DR. CALLAHAN: Yes.

15 MR. TRUDEAU: And a lot of people that are watching, if
16 you have an addiction to cigarettes or food, you know it's true.
17 If you want Haagen Daz Ice Cream, if you want pizza, if you want
18 hamburgers or French fries, or if you want a cigarette, you get
19 to that point, as you know, it's a have to: you have to smoke.

20 DR. CALLAHAN: Yeah. That's the keynote of addiction.

21 MR. TRUDEAU: Right.

22 DR. CALLAHAN: It's an irresistible, uncontrollable
23 urge --

24 MR. TRUDEAU: -- to do it.

25 DR. CALLAHAN: -- which is destructive in some way.

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125 F.T.C.

EXHIBIT G

1 MR. TRUDEAU: Oh, sure.

2 DR. CALLAHAN: And hurtful.

3 MR. TRUDEAU: And I said-- you said on a scale of one
4 to ten, where is it? And I says it's about a nine and a half.
5 You said fine. You gave me and walked me through the treatments
6 --

7 DR. CALLAHAN: Right.

8 MR. TRUDEAU: -- on the phone. It took less than five
9 minutes. It's a simple treatment you just do. Very simple, very
10 easy. And the urge reduced from a nine and a half to a one or
11 zero. It was gone.

12 DR. CALLAHAN: Yeah. That's right.

13 MR. TRUDEAU: I said, Doctor, I swear to you, I'm not
14 going to smoke this cigar, but I'm convinced it will come back,
15 the urge, if not tonight, tomorrow. And you said fine, if it
16 comes back, call me.

17 DR. CALLAHAN: Yeah.

18 MR. TRUDEAU: I said that's a deal. Six months passed,
19 and I never had the urge to smoke a cigar. I never smoked a
20 cigar.

21 DR. CALLAHAN: Right.

22 MR. TRUDEAU: It was incredible. Now, this is not
23 uncommon. You see this all the time in your practice.

24 DR. CALLAHAN: Yeah. We see that all the time. More
25 frequently, a person will have to repeat the simple treatment.

EXHIBIT G

1 Once they learn how to do the treatment, --

2 MR. TRUDEAU: Right.

3 DR. CALLAHAN: -- it only takes a minute or less.

4 MR. TRUDEAU: Yeah. It seems, it seems --

5 DR. CALLAHAN: Because once you know it and once the
6 person learns how to do it, they can do it without thinking about
7 it, and it takes less than a minute.

8 MR. TRUDEAU: Now, this is a revolutionary approach to
9 addictions.

10 DR. CALLAHAN: Oh, yes, yes. It's revolutionary in the
11 sense that nothing in psychology could have explained or
12 predicted this. It's revolutionary because it works with a high
13 success rate that's never before been possible.

14 And what we're doing, Kevin, is we're actually --when
15 we do the treatment, we're actually getting to the fundamental
16 causal level of the problem. It's not like just distraction or
17 reducing the symptom. We're actually getting at the core base of
18 the problem. I had to study quantum physics to really understand
19 that in more detail.

20 MR. TRUDEAU: Now, I remember you were on CNN --

21 DR. CALLAHAN: Yes.

22 MR. TRUDEAU: -- because with people who are
23 overweight, they have this uncontrollable urge to eat, whether it
24 be chocolate or candy bars or, you know, hamburgers, french
25 fries. People watching know they have addictions to Haagen Daz

EXHIBIT G

6

1 ice cream. You know, we eat too much food.

2 DR. CALLAHAN: Right.

3 MR. TRUDEAU: And, again, they eat when they are not
4 hungry.

5 DR. CALLAHAN: Yes.

6 MR. TRUDEAU: I mean, you authored the book, "Why Do I
7 Eat When I'm Not Hungry?" Right?

8 DR. CALLAHAN: That's right.

9 MR. TRUDEAU: But you were on CNN, and you had a very
10 interesting experience you were sharing with me.

11 DR. CALLAHAN: Yes. It was my third time on CNN. The
12 previous two times I helped some people with anxiety problems,
13 very quickly, who called in for help. This time the anchor said,
14 I hear you've been developing something with addiction. Well,
15 see if you can help me right now. I'm dying for some chocolate.

16 And the anchor who was with her joked and says, Yes.
17 She's going to eat her pencil. And she really looked desperate,
18 and it was serious. At first, I didn't know if she was joking
19 because they were laughing. And she says, no, it's very serious.
20 So I took her through the treatment. She was in Georgia, and I
21 was in a studio in L.A. And in about two minutes, because she
22 didn't know what they were all about -- two or three minutes --
23 her urge was not only gone, but you've seen a clip of that, you
24 know --

25 MR. TRUDEAU: Yes.

EXHIBIT G

7

1 DR. CALLAHAN: She does something like this, which is
2 very interesting. She says -- and we're telling her all the
3 while to think how good the chocolate would be. We're not trying
4 to turn her off.

5 MR. TRUDEAU: That's right.

6 DR. CALLAHAN: She said at the end of the treatment,
7 "Ooh, I don't even want any." Remember that?

8 MR. TRUDEAU: That's right.

9 DR. CALLAHAN: Isn't that interesting? We get that
10 every once in a while. Also, she became very relaxed. Her whole
11 being changed. Her manner changed because that, that power that
12 was driving that urge coming from a very deep level of being, was
13 simply dissipated. It was gone, not there anymore.

14 MR. TRUDEAU: And now you also find that when people
15 give themselves the treatment, because it just takes less than
16 five minutes, that their face sometimes changes, the stress
17 reduction goes down so much.

18 DR. CALLAHAN: That's right. Their face changes. I
19 had one patient who was addicted to pain pills, and it was very
20 serious because she was getting pain pills from a number of
21 different doctors, -- you know, one doctor would never give her
22 that many -- and she found that it made her relax, the only thing
23 that made her relax, but it was a terribly dangerous thing she
24 was doing. And I treated her. After the second meeting, by
25 telephone -- we treated her by telephone -- after second session

Complaint

125 F.T.C.

EXHIBIT G

8

1 she didn't want, she didn't want any anymore, and about a week
2 later she called up and she said, you know, this is really
3 interesting. My friends are coming up to me and asking if I had
4 plastic surgery, I look so much better. She looked younger. All
5 the strain and stress and everything was gone out of her face.

6 We have people, too, who are very pale and they are low
7 on energy. After treatment, color comes into their face. They
8 feel so much better. So we know that a lot of physiologic and
9 chemical changes result as a function of this simple treatment.
10 It's a very deep, basic thing.

11 MR. TRUDEAU: Now, we were talking about smoking, and I
12 had a friend of mine, Jack Freeman, who is -- he's from
13 Charlotte, North Carolina. We had went to Las Vegas, and he, for
14 15 years, this guy smoked two and a half packs of cigarettes a
15 day.

16 Now, imagine, he's on the plane from Charlotte to
17 Chicago for about two hours without a cigarette. He gets off the
18 plane, and the plane was a little delayed because we were running
19 late. He says, Kevin, I have to smoke a cigarette. I said,
20 well, you can't. We have to just get right on this plane.
21 They're going to leave.

22 We hop on. Now we get another three hours to Las
23 Vegas. This guy is in the plane climbing the walls. Now, when
24 someone doesn't have a cigarette, what's going on there? Let's
25 talk about that phenomenon just for a moment.

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1 DR. CALLAHAN: I wrote a book called -- it's published
2 in Germany -- called "The Anxiety Addiction Connection" because I
3 found there is an addiction between anxiety and addictions. And
4 all addictions, Kevin, whether it's to nail biting, hair pulling,
5 heroine, cocaine, pain pills, cigarettes, chocolate, -- you name
6 it -- all addictions are a result of anxiety, and they are an
7 attempt to -- a wrong attempt, a tragic attempt to mask or
8 tranquilize the anxiety. And it just doesn't work. It doesn't
9 take care of the problem.

10 MR. TRUDEAU: So that's what people go on diets for?
11 If they try to stop cold smoking they are climbing the walls and
12 they are irritable?

13 DR. CALLAHAN: Yes, that's right. That's what it is.
14 They are having an anxiety attack. Even heroin withdrawal, I
15 found, is actually an anxiety attack.

16 MR. TRUDEAU: Really? Not physiological?

17 DR. CALLAHAN: No. Well, there are physiological
18 elements, but they are very minor, very minor. What I was
19 trained, and most professionals still believe, that in the heroin
20 addiction the problem is mainly physiologic. It's not at all.
21 There is a lot of evidence now to show that. It's not at all.

22 MR. TRUDEAU: Well, this fellow, Jack, when he was, you
23 know, climbing the walls on the plane, I walked him through the
24 treatments. We're sitting right next to him on the plane.

25 DR. CALLAHAN: Yeah.

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1 MR. TRUDEAU: And within two to three minutes, the urge
2 went from a ten -- actually, he said it was an 11 -- went from an
3 11 down to a zero, and he said I don't want the cigarette. I
4 have no urge. Then he goes, I can't believe it.

5 DR. CALLAHAN: Yeah.

6 MR. TRUDEAU: The meal came, and we started talking,
7 and he was eating. They were cleaning up all the plates, and he
8 had not finished his meal yet; he was still eating. He noticed
9 he was the last guy done eating, and he didn't even eat his
10 entire meal. And he grabbed me, and he says, Kevin that's the
11 slowest I've ever eaten in my life.

12 DR. CALLAHAN: Oh, yeah.

13 MR. TRUDEAU: Now, isn't that interesting? It seemed
14 to change everything.

15 DR. CALLAHAN: Yes. What happened is -- and they all
16 report this after the addiction treatment. They unanimously
17 almost will say, you know, I feel very relaxed.

18 MR. TRUDEAU: Right.

19 DR. CALLAHAN: I feel very calm inside. And that's
20 what it was. He didn't have that frantic kind of a need to push
21 and shove the meal down. So it's better for his digestion also.

22 MR. TRUDEAU: Oh, sure.

23 DR. CALLAHAN: But, you know, there is something very
24 important for people -- you said at the opening, if they want to
25 quit smoking.

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1 MR. TRUDEAU: Right.

2 DR. CALLAHAN: Let me tell you something: Some of them
3 don't want to quit smoking. I recommend those who don't want to
4 quit smoking but have to fly across country or attend meetings
5 where they are not allowed to smoke, do this treatment and watch
6 what it can do for them. And they find that it's not going to
7 drive them crazy to be without their cigarettes, they may change
8 their mind about it.

9 MR. TRUDEAU: They may want to.

10 DR. CALLAHAN: But even if they never want to, at least
11 they are going to have more control over it. It's not going to
12 be running them, not controlling them. They can regain control.

13 MR. TRUDEAU: That's funny, because we both know a
14 major celebrity, who will be nameless, who just yesterday just
15 did the treatment because "I don't want to quit; I like smoking."
16 I said, well, do this treatment anyways, and then smoke the
17 cigarette. We did the treatment. He didn't want to smoke it.
18 He says you know something? Maybe I do want to really quit.

19 DR. CALLAHAN: Sure.

20 MR. TRUDEAU: Because he was afraid, as you mentioned,
21 to try to quit because he thought it was going to be very
22 difficult and stressful and so forth.

23 DR. CALLAHAN: Oh, yeah. I know how difficult it is
24 when I quit 30-some years ago. It was terrible. I went through
25 hell. And there are people who -- most smokers have tried it.

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1 and they find that, Jesus, I'd rather die of lung cancer or heart
2 disease than end up in a mental hospital. That's the way it
3 stands for them.

4 MR. TRUDEAU: Right, right. For those of you watching
5 who do want information on Dr. Callahan's techniques, it's a
6 videotape where you, in just about 15 minutes, explain and show
7 the treatment, how to apply it.

8 I highly recommend it. I've seen this in-action. It's
9 probably the most revolutionary thing you can do, if you have any
10 addiction, whether it be for food, if you're overweight, if you
11 have a smoking addiction, if your children are addicted to drugs
12 -- any compulsion, anything whatsoever, we recommend you call the
13 800 number and get information on the video because it really
14 could change your life. And it's something that I feel very
15 passionate about because I've seen the results for myself and in
16 my own life.

17 Now, let's talk about weight loss. We've talked about
18 smoking, but people out there -- and I'm one of them -- we like
19 to eat food. You know, I --

20 DR. CALLAHAN: Almost all of us are.

21 MR. TRUDEAU: It's a very pleasurable experience.

22 DR. CALLAHAN: Yeah. And it really is, yeah.

23 MR. TRUDEAU: And sometimes you eat to the point -- and
24 I think people can relate to this -- you eat when you're not
25 hungry. You just go past that point.

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1 DR. CALLAHAN: Or it's so good, and you can't resist
2 it. See, that's the key element. If you could resist it, then
3 you don't have any problem.

4 MR. TRUDEAU: Right.

5 DR. CALLAHAN: And there are very few people like that,
6 they can just resist it. "Oh, I'll lose a few pounds. I'll just
7 leave this out and leave that out," and they don't have any
8 trouble, but most of us have trouble; and that's what we mean by
9 addiction.

10 MR. TRUDEAU: It seems that a lot of these diets that
11 people try would work if you followed through on them, --

12 DR. CALLAHAN: Yeah.

13 MR. TRUDEAU: -- but people, quote, cheat, or they
14 can't -- because they are just being driven -- at ten o'clock at
15 night they open up the refrigerator and out comes the Haagen Daz.

16 DR. CALLAHAN: The editor who bought my book, "Why Do I
17 Eat When I'm Not Hungry?" -- she was at Doubleday at the time --
18 she and her husband are very nice people, and they love good
19 food. In fact, they go over to Italy -- they go to Bologna and
20 study the special gourmet cooking that they have there and so
21 forth, and she always has been over 30-some pounds, and she'd
22 always go crazy when she was there because it was so good and she
23 could not resist it.

24 Well, she read the book, of course, that she bought.
25 She later left Doubleday, so that's relevant for the rest of this

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1 story because at the International Book Fair, my agent was there,
2 -- I think it was at Brussels -- and he said that she was telling
3 everybody that for the first time she could go to Bologna and
4 only eat smaller amounts. She didn't have to eat so much. The
5 drive was gone, that extra urge. That addictive urge was gone,
6 so she was raving about it to everybody.

7 MR. TRUDEAU: She could really enjoy the food --

8 DR. CALLAHAN: But she could still enjoy good food --

9 MR. TRUDEAU: -- without feeling guilty --

10 DR. CALLAHAN: -- without feeling guilty.

11 MR. TRUDEAU: -- and actually reduce weight because she
12 could eat normally without having that urge.

13 DR. CALLAHAN: Exactly. Isn't that wonderful?

14 MR. TRUDEAU: It's fascinating. Now, you had mentioned
15 about some of the talk shows you've been on radio, because you've
16 been on many --

17 DR. CALLAHAN: Yeah.

18 MR. TRUDEAU: -- and you treat people right over the
19 phone in a few minutes.

20 DR. CALLAHAN: They call -- we tell them to call -- you
21 know, I'll tell you why I do this. It's very simple. When I
22 wrote my first book, it was a Book-of-the-Month Club selection on
23 romantic love, and like every other author, I just went on show
24 after show and just discussed the concepts in the book.

25 But when I wrote the "Five-minute Phobia Cure," I knew

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1 nobody in their right mind would believe me or even should
2 believe me because it's so outrageous, it's so revolutionary. So
3 I told all the producers, get people who have these problems, and
4 let me show you.

5 So when I was appearing on the radio shows and I had
6 just discovered the addiction treatment, I told the listening
7 audience because I wanted to show people what we could do, so
8 they didn't just have to take my word for it. You know, in the
9 privacy of your office, you can make any claim you want. Nobody
10 knows the difference.

11 MR. TRUDEAU: Sure, you can. Right, right, right.

12 DR. CALLAHAN: So I wanted to show the world that we
13 really had something quite real and powerful. And so we had -- I
14 urged anyone calling in who had any addictive urge for anything
15 -- we've had people call in for -- who needed to shoot up with
16 heroin, they needed to take the extra alcoholic drank, they were
17 -- the first one who called was on the way to the refrigerator,
18 she said, and she heard me say that. She stopped, picked up the
19 phone, and called.

20 She says, I'm on my way to the refrigerator right now.
21 I'm in there to get my favorite desert, that ice cream with
22 chocolate on it. She said, I can't resist that stuff. Is there
23 anything you can do for me?

24 In a matter of about a minute and a half, in her case,
25 she didn't want it, didn't need it. Now, listen to this: 104

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1 people in a row -- I kept the records on this -- called before we
2 ran into the first person that we couldn't help within the time
3 constraints of the show.

4 MR. TRUDEAU: Now --

5 DR. CALLAHAN: That was over a lot of shows. That
6 wasn't one show. That was about 30 or 40 shows.

7 MR. TRUDEAU: Right. Well, that brings me to the next
8 question: Does this treatment work for everyone 100 percent of
9 the time?

10 DR. CALLAHAN: No, no; of course, not. There are some
11 people that it won't work for at all: their problems are too
12 complicated. Also, let's make it clear --

13 MR. TRUDEAU: But that's a very small percentage.

14 DR. CALLAHAN: It's a small percentage, and they can
15 usually be helped with individual treatment --

16 MR. TRUDEAU: Right.

17 DR. CALLAHAN: -- which we do by telephone.

18 MR. TRUDEAU: Which you still do over the phone, right?

19 DR. CALLAHAN: Yeah. We and our staff can check them
20 through their voice, and we can treat them by phone.

21 MR. TRUDEAU: But it helps most of them, and what we
22 mean by "help" is we don't mean we cure their addiction in a
23 couple of minutes.

24 MR. TRUDEAU: Right.

25 DR. CALLAHAN: What we mean is that their addictive

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1 urge, that uncontrollable urge is gone, completely gone, and they
2 feel fine.

3 MR. TRUDEAU: Right.

4 DR. CALLAHAN: And there is no resistance. They don't
5 have to fight it. Now, they may have to repeat that treatment
6 over and over until -- the beautiful thing is for the first time
7 in their life, the cause, the deep cause of the problem is being
8 addressed during this treatment, believe it or not.

9 MR. TRUDEAU: Right.

10 DR. CALLAHAN: The real cause.

11 MR. TRUDEAU: Which brings me to the next point: What
12 is the root cause that we're dealing with? I mean, you talked
13 about energy patterns running through the body, you know, with
14 meridians from the ancient arts.

15 DR. CALLAHAN: It's very, very difficult to explain
16 this, Kevin, because it does relate to quantum physics. There is
17 information -- God, how do I, how do I briefly tell you this?

18 The quickest thing I can tell you is that they are
19 anxious. When we do the treatment, they are not anxious. And
20 when we eliminate the anxiety, they don't need the heroin, they
21 don't need the alcohol. The withdrawal is gone.

22 MR. TRUDEAU: Is that why when someone tries to quit
23 one addiction, another one replaces it?

24 DR. CALLAHAN: Sure. Without treating the addiction --
25 Alcoholics Anonymous, which has been up until recently the best

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1 form of treatment for alcoholism, what do they do? They go there
2 and they get addicted to sugar, coffee, all kind of things, which
3 are better addictions, by the way, because the alcohol was
4 probably ruining their life, --

5 MR. TRUDEAU: Right.

6 DR. CALLAHAN: -- but, nevertheless, they still remain
7 highly addicted to these other things.

8 MR. TRUDEAU: Well, let's talk about the alcohol. You
9 had mentioned a story where you live in Palm Springs, someone
10 came into the grocery store that recognized you from TV.

11 DR. CALLAHAN: Yeah. I live in Indian Wells, which is
12 right near Palm Springs, and I was going to the supermarket one
13 day, and somebody slapped me on the shoulder. I looked around,
14 and I see this smiling face.

15 And he says, Dr. Callahan. I says, yeah. Hi, how are
16 you? He says, I saw you on television. He says, I saw you a
17 year and a half ago, and you were doing something about
18 addictions on there. I says, yeah, yeah, I remember that. And
19 he says, you know, I've tried that. I've been an alcoholic for,
20 like, 20 years, tried a lot of different programs. Nothing
21 helped me.

22 He says, I just followed the directions that you did on
23 that program, and I feel so great, I want you to know I haven't
24 had a drink in a year and a half. He said, I'm so grateful to
25 you. Now, that's the kind of thing that makes somebody feel

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1 good.

2 MR. TRUDEAU: It's amazing because I read some books
3 for different addictions and overweight.

4 DR. CALLAHAN: Yeah.

5 MR. TRUDEAU: And it seems that it's always about some
6 type of psychological problem, some type of stress, something
7 they are trying to cover up or hide.

8 DR. CALLAHAN: Yeah.

9 MR. TRUDEAU: And I know the feeling. I mean, I've
10 been there like a lot of people where you just want to eat, and
11 you're not hungry; and you say, you know, I just have to eat this
12 food.

13 DR. CALLAHAN: In November, the American Psychological
14 Association -- that's my professional organization -- came out
15 with a newspaper article reporting that the science director --
16 that's the group -- the head of the research and so forth
17 representing the organization -- found that really the people
18 trying to help other people with problems aren't doing very well.

19 They are not really helping much. So the problems
20 usually always come back, and so you see, but that's not applying
21 to this work. They are not aware of this yet. This gets to the
22 heart of their problem, eliminates in most cases, very quickly.

23 MR. TRUDEAU: For those of you watching, again, who do
24 want information on Dr. Callahan's technique, it's a video which
25 can eliminate or help reduce the urge of any addiction that you

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1 may have. If you are overweight and you've been trying to lose
2 weight, this could be -- and I believe it may be the answer that
3 you've been looking for. If you've been trying to quit smoking
4 and really want to, try this.

5 You have nothing to lose by trying it. I've used the
6 techniques myself. I've tried them on my friends. The results
7 have been nothing more than miraculous or spectacular. You have
8 the video, "Hope without Reason."

9 DR. CALLAHAN: "hope with Reason," yeah.

10 MR. TRUDEAU: "Hope with Reason."

11 DR. CALLAHAN: And, you know, how about the story about
12 the makeup lady?

13 MR. TRUDEAU: Oh, yeah. Every time that we would run
14 into someone we would use the technique --

15 DR. CALLAHAN: She was curious about what we did, and
16 so I said, do you want to experience it? She said, Yeah. This
17 happened about 20 minutes ago.

18 MR. TRUDEAU: Right.

19 DR. CALLAHAN: And she said -- I asked her, Is there
20 anything in your past that -- you know, most of us have things in
21 our past, some kind of pain or trauma.

22 MR. TRUDEAU: Everyone does. Sure. Yeah.

23 DR. CALLAHAN: Right. And I said I don't want to know
24 what it is, but think about it, and how high do you go? She went
25 all the way to the top of the scale for ten. How long have you

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1 had this? Seven years.

2 Well, she's only 29 years old, so she's had this almost
3 a third of her life. Every time she would think of this during
4 the last seven-year period, she'd be in great pain and misery.
5 In a matter of maybe a minute and a half, we got her to a one,
6 which I use as the lowest end of the scale, no trace of it.

7 MR. TRUDEAU: Right.

8 DR. CALLAHAN: And she walked around later, saying, I
9 feel so good. I feel like a load or burden. But, you see, until
10 my discoveries, nothing like that was possible.

11 MR. TRUDEAU: Right.

12 DR. CALLAHAN: And so, check back with her and see how
13 long it endures. We expect that to last forever.

14 MR. TRUDEAU: What other doctors right now -- I know a
15 lot of doctors, therapists from -- whether they be psychiatrists,
16 psychologists --

17 DR. CALLAHAN: Yeah.

18 MR. TRUDEAU: -- are coming to you to learn these so
19 they can treat their own patients.

20 DR. CALLAHAN: Oh, yes.

21 MR. TRUDEAU: What are other people, therapists saying?

22 DR. CALLAHAN: Oh, gosh. We have all kinds of -- for
23 example, at our last training session in June, this last June,
24 Dr. -- what's his name? -- from Massachusetts -- well, put his
25 quote up and let them see it because he said something really

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1 spectacular, and I want his name on there.

2 MR. TRUDEAU: Yeah.

3 DR. CALLAHAN: He said he's been a psychiatrist for 30
4 years, but since he's been doing my procedure, -- this is really
5 terrific -- he said for the first time in 30 years, he has the
6 satisfaction of actually helping his patients. Now, we get
7 things like that from all over.

8 We had people from Europe, from Canada, and doctors all
9 over the country who -- Dr. Fred Gallo, for example, from
10 Pennsylvania, is very, very excited because he's been able to
11 eliminate depression with these techniques which we developed
12 some time ago. And he's just thrilled about it because he had
13 always thought that depression was a chemical problem.

14 MR. TRUDEAU: Right.

15 DR. CALLAHAN: You have to do something with the
16 chemistry. When we do the treatments, Kevin, the chemistry
17 changes.

18 MR. TRUDEAU: The actual ---

19 DR. CALLAHAN: Sure, because we're working on a more
20 fundamental level than the chemistry. We're working at the
21 input-of-information level into the body. The chemistry and the
22 thoughts come later. I used to work just with thoughts.

23 MR. TRUDEAU: Right.

24 DR. CALLAHAN: They are almost irrelevant.

25 MR. TRUDEAU: It's amazing. Now, people can learn the

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1 treatments within less than ten or fifteen minutes.

2 DR. CALLAHAN: Well, on the video we take them through
3 the step-by-step recipes that we've developed that will help most
4 people.

5 MR. TRUDEAU: Now, when you see these physiological
6 changes, -- we talked about the stress reduction, we talked about
7 the urges going away - is there any other physiological or health
8 benefits that you know are associated with the treatments?

9 DR. CALLAHAN: Oh, yeah, because there is a lot of --

10 MR. TRUDEAU: Does energy levels increase, for example?

11 DR. CALLAHAN: Oh, yes. Well, there is a lot of
12 physiologic health benefits simply from eliminating psychological
13 problems. It's been known for many, many years that most
14 patients that go to their general practitioners or doctors
15 actually -- at least half of them mainly have something
16 psychological behind their problem.

17 MR. TRUDEAU: You know, I was reading in a trade
18 journal that the 900 lines, the psychic lines, --

19 DR. CALLAHAN: Yeah.

20 MR. TRUDEAU: -- the number-one reason people call is
21 because they are feeling bad, some type of depression --

22 DR. CALLAHAN: Yeah.

23 MR. TRUDEAU: -- which usually leads them to overeat,
24 and they are looking for relationships, they are looking for
25 love, and they have some type of love pain. And they continue to

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1 call over and over again to try to get some type of relief from
2 this bad feeling. And these treatments that you give that you
3 teach people how to administer to themselves in just a matter of
4 minutes can alleviate that problem --

5 DR. CALLAHAN: Yes, in most people.

6 MR. TRUDEAU: -- and not just -- maybe they have to
7 apply it a few more times, --

8 DR. CALLAHAN: Yeah.

9 MR. TRUDEAU: -- but how long does it last?

10 DR. CALLAHAN: Well, it will vary from one person to
11 the next. It's really shocking that in a small number of them,
12 one treatment is all they need. My first case, you know, was
13 with a Snicker bar addiction. This patient came to me because
14 her doctor told she was developing a heart problem. She needed
15 to lose about 40 pounds.

16 She went back six months later. She hadn't lost a
17 pound. And she explained to her doctor it's because of the
18 Snicker bar. I got to have Snicker bars all the time. She
19 carried a bunch of them in her purse for emergencies. And so she
20 came to me and said -- I had already helped her with a serious
21 anxiety problem -- and she said, do you think you could help me
22 with this? I said, let's find out. So we had her think about
23 Snicker bars, treated her. It took about two or three minutes,
24 at most. That was 14 years ago, and I keep checking with her.
25 She hasn't wanted another Snicker bar since.

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1 MR. TRUDEAU: It's amazing --

2 DR. CALLAHAN: That's what happens.

3 MR. TRUDEAU: -- because when you do the treatment,
4 like when you mentioned about the CNN, you don't try to hide what
5 the person -- you say, here, look at it, --

6 DR. CALLAHAN: Yeah.

7 MR. TRUDEAU: -- smell it.

8 DR. CALLAHAN: Think about how good it is:

9 MR. TRUDEAU: Think how wonderful it is. And I've seen
10 people like with Haagen Daz Ice Cream who are about to just jump
11 right in -- and the ice cream is great, as we know, but say, I
12 don't want it. Now, the other thing that you had mentioned which
13 was fascinating is that people can still eat chocolate, they can
14 still eat Haagen Daz, but now they are in control. They can eat
15 it, or they can still smoke the cigarette, --

16 DR. CALLAHAN: Yeah.

17 MR. TRUDEAU: -- but they are now in control.

18 DR. CALLAHAN: Yeah. People can eat and smoke and do
19 all kinds of things without being addicted. What we are after is
20 eliminating the addiction.

21 MR. TRUDEAU: Do you find that when people use the
22 treatments for being overweight that there is -- that they lose
23 weight very quickly without any stress whatsoever?

24 DR. CALLAHAN: Well, it's much easier for them,
25 obviously. For example, this first patient I was telling you

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1 with the Snicker bars, all she had to do was leave out the
2 Snicker bars, and she started keeping everything else the same
3 and started dropping a pound, two pounds a week.

4 MR. TRUDEAU: So now people don't have -- for the first
5 time don't have to, quote, go on a diet.

6 DR. CALLAHAN: Yeah.

7 MR. TRUDEAU: They can just eliminate the addiction to
8 food that they know they shouldn't be eating?

9 DR. CALLAHAN: That's right, yes.

10 MR. TRUDEAU: And they can eat normally, be
11 happy --

12 DR. CALLAHAN: Exactly.

13 MR. TRUDEAU: -- and have no deprivation.

14 DR. CALLAHAN: Right.

15 MR. TRUDEAU: Which is a key. When people try to go on
16 diets, I know, they always feel like they are being deprived of
17 something that they really want.

18 DR. CALLAHAN: Oh, yeah.

19 MR. TRUDEAU: But you're saying --

20 DR. CALLAHAN: And they can't wait to get off the diet.

21 MR. TRUDEAU: You're saying you eliminate the want.

22 DR. CALLAHAN: We eliminate that excessive addictive
23 urge, yes. That's right.

24 MR. TRUDEAU: And if you are overweight -- I think
25 every person who has had this type of addiction to food feels

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1 that -- they know that they've been overweight. Let's talk about
2 sports. You mentioned an Olympic swimmer.

3 DR. CALLAHAN: Uh-huh.

4 MR. TRUDEAU: What type of result --

5 DR. CALLAHAN: Oh, yeah. We had -- an Olympic swimmer
6 was sent to me by a psychologist who he was working with because
7 he knew I had developed a phenomenon. It's a very interesting
8 thing I call "psychological reversal." It's sort of a
9 self-sabotaging thing that can happen to any of us.

10 MR. TRUDEAU: I think a lot of us can relate to that.

11 DR. CALLAHAN: That's right. And he's an excellent
12 athlete. He's just superb, and he was on the -- one of the major
13 teams. And -- but he had trouble just getting over the edge:
14 every time that he was observed and so forth, he couldn't perform
15 up to his maximum ability. We fixed his reversal. Boom, he
16 suddenly did well and played in the Olympics.

17 MR. TRUDEAU: So this can reduce stress if people are
18 in real-life situations, maybe businessmen are going into
19 meetings and their stress is going up?

20 DR. CALLAHAN: We help a lot of golfers. You know, in
21 the Palm Springs area there's more golf courses per capita than
22 anywhere in the world, so we get a lot of golfers who are
23 interested, and they have the yips. You know, they do well when
24 nobody is looking, but putting, you know, the short game really
25 suffers from anxiety, and it's a phobia. I treated, I treated a

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1 hall-of-fame athlete and two golf champions who had some of that
2 problem, and as soon as we treated them, wham, they took off.

3 MR. TRUDEAU: Yeah. We call it "choking under
4 pressure." Right?

5 DR. CALLAHAN: That's right. Yeah. I just was talking
6 to a person I know who owns archery -- manufactures archery
7 equipment, and he was telling me that it's a big problem there,
8 too, that a lot of people drop out because they get the yips when
9 they are shooting at a target. They get nervous, apprehensive,
10 phobic.

11 MR. TRUDEAU: Sure. Dr. Callahan, time is running out
12 and I really appreciate you being my guest. It's a fascinating
13 subject. Hopefully, we'll have time to have you on again to talk
14 more about it.

15 DR. CALLAHAN: Good.

16 MR. TRUDEAU: If you are overweight, if you've been
17 trying to quit smoking and you can't, please call the 800 number.
18 This is something that I personally can endorse and recommend.
19 I've used it myself. I've seen my friends use it. We both have.
20 And the results have been nothing but spectacular. Call the 800
21 number.

22 Thanks again for being with me and watching. I'm Kevin
23 Trudeau, and this has been another edition of "A Closer Look."

24 ANNOUNCER: The preceding has been a paid commercial
25 program brought to you by Mega Systems.

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EXHIBIT H

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FEDERAL TRADE COMMISSION

FTC MATTER NO.: 942-3278

TITLE: DR. CALLAHAN ADDICTION BREAKING
TECHNIQUE TELEVISION INFOMERCIAL
(TRUDEAU ONLY)

PAGES: 1 THROUGH 25

MSI/SALBERG COMPLAINT EXHIBIT H
TRUDEAU COMPLAINT EXHIBIT G

EXHIBIT H

P R O C E E D I N G S

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

4 Thanks for joining me. I'm Kevin Trudeau, and this is a
5 very special edition of A Closer Look.

6 If you are one of the 65 million Americans who are
7 overweight, please stay tuned. We're going to be sharing the
8 most revolutionary breakthrough that can allow you to lose all
9 the weight you want.

10 If you have any addiction, if you're addicted to food, if
11 you're addicted to cigarettes and want to quit smoking, please
12 stay with me. If you have any stress and anxiety in your body,
13 please stay tuned for this show.

14 We're going to be sharing Dr. Callahan's revolutionary
15 breakthrough that he had discovered while studying quantum
16 physics. Dr. Callahan came up with a breakthrough that in 60
17 seconds can eliminate your addictive urge to overeat, to smoke
18 cigarettes, to do any compulsion, any type of addicted behavior,
19 whether it be alcohol, drugs, cigarettes, food, maybe picking
20 your thumb, any type of compulsive behavior, and eliminate all
21 the stress and anxiety in your body.

22 Now this technique will take 60 seconds to apply and works
23 in virtually 100 percent of the time.

24 Let me explain who Dr. Callahan is. Many of you know me,
25 I'm Kevin Trudeau, founder of the American Memory Institute and

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1 the host of A Closer Look. I bring and find some of the most
2 important people and breakthroughs that are out there in the self
3 improvement area. Things that can have a positive change in your
4 life.

5 I found Dr. Roger Callahan, who is a clinical psychologist
6 and one of the world's foremost authorities on addictions,
7 compulsives, compulsive behavior, phobias, and stress and
8 anxiety. He's written several books including "Why Do I Eat When
9 I'm Not Hungry," "Love, Pain, Stress and Anxiety: The Anxiety-
10 Addiction Connection."

11 And what he found as a practicing clinical psychologist for
12 35 years, while studying quantum physics, is that the root cause
13 of all addictions is the same thing. Whether you're addicted to
14 food -- now let me ask you a question.

15 If you are overweight, if you right now watching have an
16 overweight, fat problem, isn't it true that it's because you eat
17 when you're not hungry? Isn't it because that you have an
18 overwhelming compulsion to eat food when you don't want to.

19 Maybe you're addicted to pizza. Maybe you're addicted to
20 Hagen Daas ice cream. Maybe your's is potato chips. Maybe
21 you're addicted to -- maybe you just eat large, massive
22 quantities of food. Maybe you eat late at night. Whatever your
23 addiction is, maybe it's chocolate. You have this overwhelming,
24 uncontrollable desire to eat food when you're not hungry.

25 That's the reason you're overweight. That's the number one

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1 cause of people being overweight.

2 You've tried diets, you've listened to hypnotic tapes,
3 you've listened to subliminal tapes, you've tried exercise
4 programs, but nothing works. Why? Because you can't stick with
5 the program. Heck, if you go on a diet for three weeks and stick
6 to it, you'll lost weight.

7 The problem is, you can't stick to it. Why? Because you're
8 struggling the entire time. You have an uncontrollable urge to
9 eat when you're not hungry.

10 I've known people that, maybe you're watching a show right
11 now, who are saying as you're eating your pint of Hagen Daas ice
12 cream, yeah, that's exactly me. Maybe you eat pizza, piece after
13 piece after piece, and just stuff your face.

14 Do you ever just go to a buffet and just fill your plate,
15 and fill it again, and fill it again, and ask yourself as you're
16 stuffing your mouth and say, I'm full. I don't feel good. Why
17 am I doing this?

18 I want you to know, it's not your fault. Up until now,
19 folks, not one program has ever gotten to what we believe to be
20 the root cause of all addictions, whether it be cigarettes,
21 whether it be food, whether it be alcohol, whether it be any type
22 of addiction or compulsive behavior.

23 The root cause, Dr. Callahan discovered, is a stress and
24 anxiety energy field that flows through the body. You see, when
25 -- right before we have to smoke that cigarette or eat that food

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1 or eat that chocolate or eat that -- those cookies or cakes or
2 ice cream or pizza, whatever it is, right before we do that,
3 there is a field of energy, Dr. Callahan calls it prutravations
4 in the thought field. That's the big word.

5 There's a field running through the meridians in your body,
6 it's energy. It's stress and anxiety. As that energy field
7 begins to flow up, we attempt to mask it. We mask it by smoking
8 a cigarette, by eating some chocolate, by eating cookie after
9 cookie after cookie, by eating the ice cream, by having another
10 helping of food when we're full. That's how we mask the stress
11 and anxiety.

12 Nothing has gotten to the root cause. Well, Dr. Callahan,
13 in research in quantum physics, figured out a way that in 60
14 seconds you can do a simple technique to yourself that will knock
15 out and eliminate the stress and anxiety pattern. The stress
16 actually dissipates out of the cells. When that happens, you
17 begin to breathe different, you begin to feel different, you feel
18 lighter. All the stress just left your body, you feel totally
19 relaxed. And the urge to overeat or the urge to smoke is gone.
20 It's eliminated. It's 100 percent gone.

21 Right on CNN, Dr. Callahan took one of the anchor gals, he
22 was talking about phobias and how he gets rid of and cures
23 phobias in 60 seconds, and he was talking about addictions. This
24 gal was addicted to chocolate. She was a choconholic. This is
25 the anchor woman right on CNN.

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1 She said, "Dr. Callahan, I'm addicted to chocolate. I have
2 this chocolate compulsion. I eat it all the time. I have to eat
3 it. It's an uncontrollable urge. I don't have any control over
4 it."

5 Many of you right now, if you smoke cigarettes, if you eat,
6 you know, it's an uncontrollable urge. It has nothing to do with
7 will power. You're a good person. It has nothing to do with --
8 people say oh, you just don't have enough will power. No, it's
9 uncontrollable. You can't control this. It's not your fault.
10 It's this field of energy running through the body.

11 Well this uncontrollable urge, she said, "I have an
12 uncontrollable urge to eat chocolate." He said, "Well, on a
13 scale of one to ten, where's your urge right now?" She said,
14 "Well, it's about a five or a six." He said, "Do you have any
15 chocolate on you?" She said, "Well of course I have chocolate on
16 me. I eat it all the time." He said, "Can you take it out of
17 your purse." "Oh no, I can't do that. Because then I'll have to
18 eat it, and I won't have any control over it. Doctor, I'll just
19 have to eat it."

20 He said, "Take it out anyway. She takes it out and he says,
21 "Open up the package and smell it. I want you to imagine how
22 wonderful and how delicious this chocolate's going to taste. I
23 mean, it's chocolate. It tastes great."

24 So she begins to smell it. "Oh Doctor, I have to eat this
25 now." He said, "On a scale of one to ten, where is your urge?"

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1 She said, "It's over a ten. I have to have it." He said, "Fine."

2 He walked her through a 60 second procedure, a simple
3 technique right there. Right at CNN studios. This is the anchor
4 woman. And he said, "Where's your urge now?"

5 She looked at that chocolate and she said, "I don't want
6 it." He said, "No, don't tell me that." He said, "Pick up that
7 chocolate. You love chocolate. Chocolate tastes great. You
8 couldn't -- you had to eat it a minute ago. Smell it. Imagine
9 how wonderful it's going to taste if you eat it."

10 She smelled it and here's exactly what she did. "Ugh, I'm
11 repulsed by it, Doctor. I don't want it. I do not want it."

12 What happened? The stress and anxiety energy field that was
13 running through the body, he broke it up with that simple
14 technique. And when he broke it up, she began to breathe
15 different, all the stress left her body, she felt great. She was
16 like, wow. Her facial muscles relaxed. She looked beautiful and
17 radiant and she had no desire to eat that chocolate. The
18 uncontrollable urge was gone.

19 Now let me ask you a question. If you're fat, if you're
20 overweight, and most people out there are. I read a report in
21 some magazine that said over 65 percent of all Americans are
22 either on a diet, just got off a diet, about to start a diet.
23 That's a lot of people that have a weight problem.

24 I'm sure hundreds of millions of dollars are spent every
25 year on pills and powders and shakes and diet packaged food and

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1 diet programs and tapes and hypnosis tapes and all these
2 ridiculous things. They don't work.

3 Why? Because nothing gets to the root cause of the
4 addiction. The food addiction. Nothing.

5 Dr. Callahan, while studying quantum physics, figured out
6 that he has this technique that in 60 seconds you can break up
7 the stress and anxiety in your body and eliminate totally the
8 addictive urge.

9 Now what will that mean to you? That means you can lose
10 weight easily, effortlessly, because you don't have any urge to
11 overeat when you're not hungry. The urge is gone.

12 I was on Value Vision, one of the home shopping clubs, a
13 wonderful organization. We were on here selling the videotape,
14 Dr. Callahan's videotape, that people can learn the techniques.
15 It takes 15 minutes to learn the technique and only a minute to
16 apply.

17 We broke all the records. People were buying this thing
18 like crazy. We just broke record after record after record.
19 They got more response on this than anything else, they had told
20 me.

21 While I was on another time, a gal called up on the phone.
22 She said, "Kevin, I saw you about a month ago and I bought your
23 program." This is right on tape. We have this on film. Right
24 on national TV.

25 She said, "I want you to know. I got it a month ago and

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1 here's what happened. I was addicted because of food. I would
2 overeat when I wasn't hungry. So late at night when I wanted to
3 eat food, I used the technique. It took only 60 seconds. I just
4 used it one time. I relaxed, I felt fantastic. I slept better
5 than I have in years because all the stress was gone."

6 She goes, "I was just feeling great and the urge was gone.
7 I didn't eat the food. I didn't want it." She goes, "Since
8 then, I've lost over 10 pounds, but I'm not trying to lose
9 weight."

10 She said, "I eat ice cream, I eat cookies, I eat cake, I eat
11 everything I want. But I'm just loosing weight." And I said,
12 "Well are you trying to lose weight." And she says, "No." I go,
13 "Do you need to lose weight." She goes, "Well, of course I need
14 to lose weight."

15 What's happening is she broke up the cause. She got to the
16 root cause of the addiction, the overeating compulsion and
17 addiction and now she doesn't have to eat it. She feels
18 wonderful. There's no struggle.

19 Imagine going into a buffet and looking at all this
20 luscious, wonderful food and say, this looks wonderful. But you
21 still don't have to eat it if you don't want to. That's what
22 we're talking about.

23 Folks, if you're watching right now, I want you to know you
24 can purchase what we have available. It's Dr. Callahan's, "The
25 Callahan Technique." It's a videotape. That's all it is.