

IN THE MATTER OF

EYE RESEARCH ASSOCIATES, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SECS. 5 AND 12 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3807. Complaint, May 18, 1998--Decision, May 18, 1998*

This consent order prohibits, among other things, the two Texas-based corporations and the owner from making any false claims and requires reliable scientific evidence to substantiate any safety, success or efficacy claims for Controlled Kerato-Reformation ("CKR") orthokeratology, a non-surgical eye care treatment or procedure to correct vision. In addition, the consent order requires that the respondents possess scientific evidence to support any testimonials or endorsements concerning the expected results of CKR, or else provide a disclosure stating what consumers may generally expect to achieve and that consumers should not expect to experience similar results.

Appearances

For the Commission: *Judith Shepherd* and *Thomas Carter*.

For the respondents: *Richard Powers* and *Steven Adducci, Butler & Binion*, Washington, D.C.

COMPLAINT

The Federal Trade Commission, having reason to believe that Eye Research Associates, Inc., d/b/a Eye Care Associates, and ICKRS, Inc., d/b/a International Controlled Kerato Reformation Society, corporations, and Sami G. El Hage, O.D., individually and as an officer of the corporations ("respondents") have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

1. Respondent Eye Research Associates, Inc., d/b/a Eye Care Associates ("ECA"), is a corporation formed under the laws of the state of Texas, with its principal office or place of business located at 5320 Richmond Avenue, Houston, TX.

2. Respondent ICKRS, Inc., d/b/a International Controlled Kerato Reformation Society ("ICKRS"), is a corporation formed under the laws of the state of Texas, with its principal office or place of business located at 5320 Richmond Avenue, Houston, TX.

3. Respondent Sami G. El Hage, O.D., is the sole owner and president of the corporate respondents. Individually, or in concert with others, he formulates, directs, and controls the acts and practices of the corporate respondents, including the acts and practices alleged in this complaint. His principal office or place of business is the same as that of the corporate respondents.

4. Respondents are engaged, and have been engaged, in the promotion, offering for sale, and the sale to the public of ophthalmic services, including orthokeratology ("ortho-k") or "Controlled Kerato-Reformation" ("CKR") services, which involves the use of a series of contact lenses purportedly to reshape the cornea gradually for the treatment of myopia (or "nearsightedness"), hyperopia (or "farsightedness") and astigmatism. The contact lenses used in these CKR ortho-k services are "devices," within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.

5. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

6. In the course and conduct of their business, respondents have disseminated or have caused to be disseminated advertisements or promotional materials for the purpose of promoting the sale of CKR ortho-k services. Respondents advertise and promote their services through the use of print advertisements, free consultations, videos, brochures, and pamphlets, which are provided to patients and prospective patients, and some of which are provided to other optometrists for distribution under their own name to patients and prospective patients. Respondents' advertisements and promotional materials include, but are not necessarily limited to, attached Exhibits A through F.

7. The advertisements and promotional materials referred to above, including but not necessarily limited to attached Exhibits A through F, contain the following statements:

A. "C.K.R. CONTROLLED KERATO-REFORMATION
Using Contact Lenses to Reshape the Cornea and Improve Vision ...
THE BENEFITS OF CKR
See better without help from glasses or contact lenses
Prevents deteriorating vision in children caused by myopia
Free of surgical complications or pain
Improvement occurs rapidly -- within weeks or months
No disruption of vision while your eyesight improves
Occupational unaided vision demands may be met for careers such as pilots,
policemen, firemen, athletes, etc."

NATURAL VISION IMPROVEMENT

Imagine being able to easily read the alarm clock without your glasses, see street signs clearly, or participate in sports without lenses of any kind.... This procedure has provided corrective eye care to many thousands of patients without the risks or complications associated with surgery.... CKR utilizes a series of molds prescribed in progressive stages to gently reshape the cornea, similar to the way braces are to straighten teeth.... The process can take from six weeks to a few months or longer to complete, depending on the severity of the problem. The result is dramatically improved vision with retainer lenses being worn on a limited basis, sometimes only at night during sleep, to maintain the new shape of the cornea.

Developed in 1962, Ortho-K has been used for years to help pilots, athletes, and others who required unaided vision for their occupations. Now, with new research developments such as computerized corneal topography (mapping which provides a more accurate fit and diagnosis) and new mold designs and materials, CKR, the second generation, is becoming the eye care trend of the future.

A SAFE ALTERNATIVE TO RK SURGERY

In contrast to Radial Keratotomy surgery which involves making incisions on the eye, CKR does not leave scar tissue which may cause vision glare at night or other side effects. CKR is also free of surgical complications or pain, and there is no disruption of vision as eyesight improves.

SAVING CHILDREN'S VISION

One of the most exciting uses for CKR is controlling myopia (nearsightedness) in children. Unfortunately, nearsightedness is a progressive disease, which is why 75% of the nearsighted population have to periodically increase their prescription. As years pass, from elementary school to college and in later life, a person's vision gradually worsens. For instance, only 4% of 8 year olds are nearsighted, while over 30% of the general population is nearsighted. CKR prevents this deteriorating vision in children by actually halting myopia in its tracks.

RESULTS

Myopia (Nearsightedness): CKR is highly effective in improving myopia. Mild to moderate degrees of myopia may be corrected from 20/400 to 20/20 - 20/30. Higher degrees of myopia can be controlled to allow functional vision without lenses.

Astigmatism: CKR usually either eliminates or greatly reduces mild astigmatism. Higher amounts of astigmatism can also be improved to enhance vision.

Hyperopia (Farsightedness): Occasionally may be improved....

SAFETY

Four university research studies have shown Corneal Reformation to be safe and effective, with no harmful side effects. These studies include the University of Houston College of Optometry (5 years), University of California at San Diego Medical School (7 years), University of California at Berkeley College of Optometry (3 years), and Pacific University College of Optometry (5 years)....

FIND OUT IF CKR IS RIGHT FOR YOU

If CKR is determined to be right for you, then you might also be one of the many who are no longer dependent on glasses or contacts. . . ."

[Exhibit A, Patient Brochure]

B. "WHAT IS CKR? INFORM YOUR PATIENT"

Both Dr. El Hage and Dr. Norman Leach appear on the video. Their participation is acknowledged with the thanks of the producer, ICKRS. Statements on the video including representations by Leach that 95% of those who complete CKR achieve "functional vision" and that CKR may be beneficial for farsighted individuals. The announcer describes CKR as an idea "very much like braces for teeth." The video also contains a number of patient testimonials, including the following:

"...I was looking for an option that was very safe and that was going to give me the results, and CKR gave me the results. I now have 20/20 vision without my contacts and get along absolutely great [The] FAA requires that we maintain 20/20 vision corrected.... [S]o I was looking for a way to improve uncorrected vision.... They're very comfortable, very easy to wear, and you don't know that the procedure is taking place.... It took about four to five months for me to get from 20/100 vision to 20/20 uncorrected. So progress comes very rapidly.... Hey, leave your contacts at home. Go -- go do what you want to do, ride your bicycle with the kids or climb mountains or scuba dive. It gives you so much more freedom than having to hassle with glasses or contacts."

Jay Redmon (commercial pilot, photographed with passenger jet)

"My vision just kept getting better and better and at night when I'd take my contacts out to sleep, then I'd notice I could see -- see things that I couldn't see before without my glasses.... [A]fter however long it takes for your vision to get corrected they give you retainer lenses. And the retainer lenses are lenses that you only have to wear for, like, certain amount of hours a week, whatever the doctor tells you to.... I never thought I'd have close to perfect vision again...."

Hani Shafi (young boy)

"I told my friends they give you a pair of contacts, and they -- um, they're going to start helping your eyes and to make them 20/20. But it will take a while, it won't take that long, but it will take a little while.... I would tell them to not be afraid because it's all easy and it works very good." *Carolina Araya (young girl)*

"And then I had regular glasses for when I didn't have my lenses on and then all of a sudden I had to get reading glasses, and then you've got sunglasses.... Everything I do outdoors I can now do without any lenses. And before I could not do anything, I could not walk without lenses or glasses.... It's wonderful. I can see again."

Sheryl Noble

[Exhibit B, Video promotion]

C. "CKR SUCCESS STORIES"

In just a couple of weeks I was able to see 20/20 without glasses or my special contacts. It's wonderful!! I no longer have to worry about taking my glasses on or off. I can even wear really 'cool' sunglasses without having to have them prescription made!...AY

I am able to read and see at distance with 20/20 acuity. I have been able to fly my plane without corrective lenses and I passed all required vision tests....VP [commercial airline pilot]

My vision has changed from needing corrective lenses to 20/20 in ten days. I am apprehensive about quick remedies for any kind of ailment, but I will not only

verify, I will spread the good news about the changes I have experienced with all my friends. I am a sports enthusiast and now I can get involved without the restrictions of glasses....GWM

I can see now!! I thought I would be prisoner to my contacts/glasses for the rest of my life. I am now enjoying normal vision for the first time in approximately 25 years. CKR gave me my freedom back!! At the very beginning of my treatment, I had my doubts. It sounded too good to be true. I am now a BELIEVER!! I no longer have a strong reliance on vision correction to see. It is such a delight to be able to see without correction. It has opened a whole new world!! I am no longer visually handicapped....CJC

Changes have been dramatic. I typically tested around 20/60 to 20/80 on yearly eye tests associated with my job and now I test 20/20. I now have greater freedom and flexibility of not having to wear lenses from sun up to sun down....KH

I have seen my vision improve dramatically since starting CKR. My vision went from reading the big E on the eye chart to seeing 20/20 without glasses. I also believe that the overall health of my eyes have greatly improved. No longer is there anxiety when taking physicals for my job. Along with better vision and healthier eyes, there is an increased self-confidence in all aspects of my life - especially so in my professional career. To make gains such as I have, without surgery - and especially the risks associated with surgery, is, without a doubt, the only way to go....JR [commercial airline pilot]."

[Exhibit C, promotional handout provided to Optometrists]

D. "IMPROVE VISION WITHOUT SURGERY

Adults and children now have the option to non-surgically correct nearsightedness and astigmatism. It is called Controlled Kerato-Reformation, or CKR for short.

CKR uses specially designed contact lenses that correct vision and reshape the cornea simultaneously. The CKR lenses, or molds, are worn daily, in place of glasses or other contact lenses. Within a period of a few days to a few months vision can be restored to 20/20 or close to 20/20 as possible, so that the patient can obtain good, functional vision without dependence on glasses or contacts, and without the risk and side effects commonly associated with surgical procedures.

'My vision improved the very first time I put the contacts on. And I had 20/20 vision about two weeks after I started wearing them.'

Edwin V.

'.... Within the first 24 hours, my vision was improved to about 20/30.... Since that initial change, my vision has progressed to 20/20, and I can see quite well during the day after taking my lenses out in the morning. This is the first time in 20 years that I have been able to go about my daily routine without the assistance of glasses or contacts.'

Amy D.

'Prior to correction I could not see clearly beyond arm's length... now I can drive without contacts or eyeglasses.... This is a painless, corrective procedure, scientifically proven, without the potential complications/ramifications of RFL [sic]... My vision has improved from 400/300 to 30/20. I can see again!'

Hank N. (in the Nov. '95 issue only)

[Exhibit D, *Houston Health and Fitness Sports Magazine*, February, 1996, and November, 1995]

E. "HOUSTON RESIDENT ENJOYS IMPROVED VISION THROUGH A REVOLUTIONARY EYECARE PROCEDURE!"

Sylvia's vision was 20/400 when she began treatment in November 1994. Today her vision is 20/20 unaided! Sylvia observes: 'I had forgotten what it was like to drive at night without so much glare that everything looked blurry. I wake up in the morning and I can see clearly. Softball, volleyball and swimming are all much more fun now that I don't have to wear glasses or contacts...'

'The procedure offers remarkable results for patients with nearsightedness, giving them freedom from glasses and contacts for everyday living,' says Dr. El Hage.... 'It's very exciting for me to be able to offer a safe and effective alternative to surgery for my patients.'

CKR is also used to treat astigmatism and farsightedness to a certain degree...."
[Exhibit E, *Houston Health & Fitness Sports Magazine* April, 1996]

F. "IMPROVED VISION WITHOUT SURGERY"

Although millions of people suffer from nearsightedness and astigmatism, until recently there have not been many options for improved vision without lenses. A revolutionary procedure called Controlled Kerato-Reformation, (CKR for short), is changing the lives of many people who have relied on daily wear of glasses or contacts. CKR is a non-surgical procedure and an alternative to the well known surgical procedure, Radial Keratotomy.

.... Dr. El Hage is also the founder and president of the International Controlled Kerato-Reformation Society, which trains doctors to become CKR practitioners and updates them on the latest techniques in CKR.

.... Called "Braces for the Eyes," CKR actually gently reshapes the cornea through a series of specially designed, rigid gas permeable contact lenses, or molds. This process takes place over a period of two to twelve months, on average, after which retainer lenses, worn several hours per week, can maintain the new shape of the cornea on a long-term basis. In addition, CKR has been proven as safe as wearing traditional contacts....

One of the most valuable applications for CKR is controlling myopia (nearsightedness) in children. Nearsightedness is progressive for most people and becomes worse as the years pass. CKR can stop this progression of Myopia, preventing deteriorating vision as children grow older.

'The procedure offers remarkable results for patients with nearsightedness, giving them freedom from glasses and contacts for everyday living,' says Dr. El Hage, the inventor of a highly acclaimed computerized corneal topographer that maps the surface of the eye. 'It's very exciting for me to be able to offer a safe and effective alternative to surgery for my patients.'

CKR can also correct astigmatism and farsightedness to a certain degree...."
[Exhibit F, Newspaper advertisement, 2/28/96]

8. Through the means described in paragraph seven, respondents have represented, expressly or by implication, that:

A. CKR ortho-k corrects nearsightedness and astigmatism thereby permanently eliminating the need for all corrective eyewear, including eyeglasses and contact lenses, for nearsightedness and astigmatism.

B. All or most people can achieve normal vision without eyeglasses or contact lenses on a permanent basis if they wear CKR ortho-k devices occasionally or at night.

C. Studies at the University of Houston College of Optometry (1976-77), University of California at San Diego Medical School (1980), University of California at Berkeley College of Optometry (1982-83), and Pacific University College of Optometry (1984), prove that CKR ortho-k is safe and effective in correcting, controlling, or improving nearsightedness, farsightedness, and astigmatism.

D. Testimonials from consumers appearing in the advertisements for respondents' CKR ortho-k services reflect the typical or ordinary experience of members of the public who receive those services, which experience is that respondents' CKR patients typically achieve 20/20 vision and no longer need corrective eyewear.

9. In truth and in fact,

A. CKR ortho-k does not correct nearsightedness and astigmatism thereby permanently eliminating the need for all corrective eyewear, including eyeglasses and contact lenses, for nearsightedness and astigmatism.

B. All or most people cannot achieve normal vision without eyeglasses or contact lenses on a permanent basis if they wear CKR ortho-k devices occasionally or at night.

C. Studies at the University of Houston College of Optometry (1976-77), University of California at San Diego Medical School (1980), University of California at Berkeley College of Optometry (1982-83), and Pacific University College of Optometry (1984), do not prove that CKR ortho-k is safe and effective in correcting, controlling, or improving nearsightedness, farsightedness, and astigmatism.

D. Testimonials from consumers appearing in the advertisements for respondents' CKR ortho-k services do not reflect the typical or ordinary experience of members of the public who receive those services, which experience is that respondents' CKR patients typically achieve 20/20 vision and no longer need corrective eyewear.

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

10. Through the means described in paragraph seven, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in paragraph eight A and B, at the time the representations were made.

11. In truth and in fact, respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in paragraph eight A and B, at the time the representations were made. Therefore, the representation set forth in paragraph ten was, and is, false or misleading.

12. Through the means described in paragraph seven, respondents have represented, expressly or by implication, that:

A. A significant number of people can achieve normal vision without eyeglasses or contact lenses on a permanent basis if they wear CKR ortho-k devices occasionally or at night.

B. All or most people will experience stabilized vision after only a few weeks or months of CKR ortho-k treatments.

C. CKR ortho-k prevents and reverses deteriorating nearsightedness in children.

D. CKR ortho-k is as safe as contact lenswear.

E. CKR ortho-k is as effective as refractive surgical methods in correcting, controlling, or improving nearsightedness, farsightedness, and astigmatism.

F. CKR ortho-k has helped thousands of people achieve normal vision.

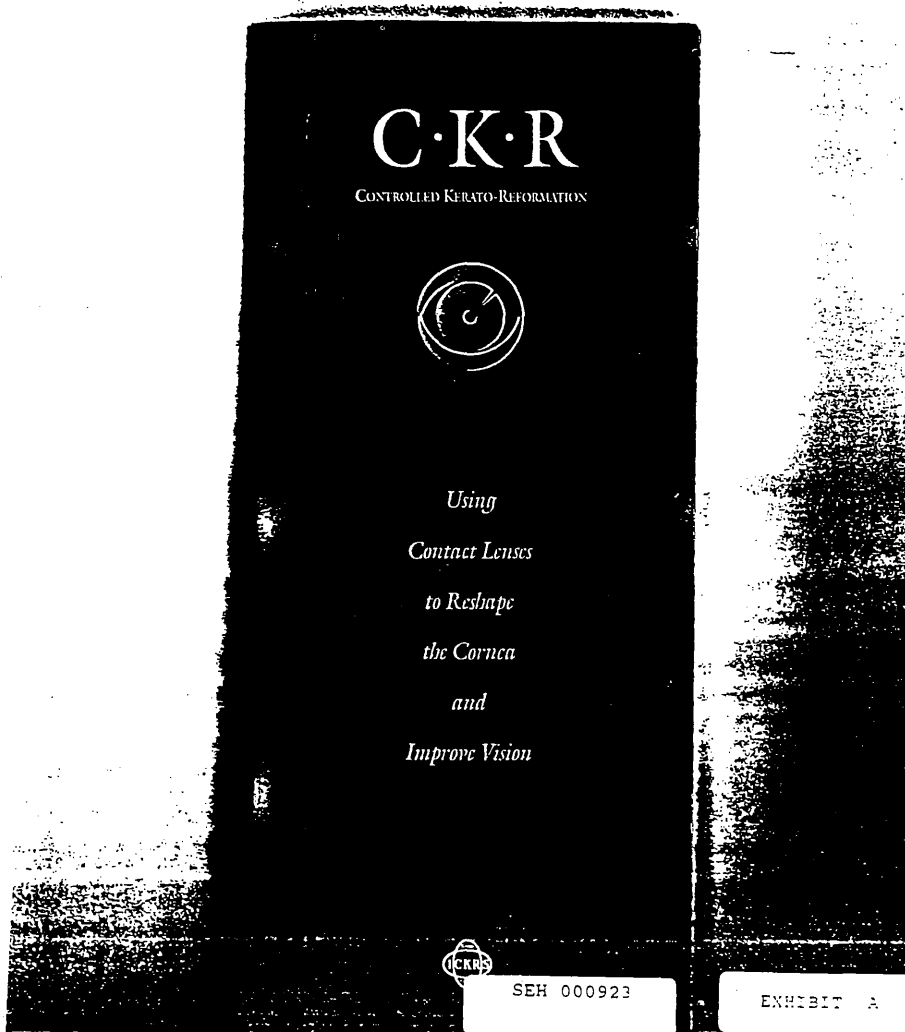
G. CKR ortho-k provides pilots and other career professionals with stable 20/20 vision thereby enabling them to meet occupational requirements for unaided vision.

13. Through the means described in paragraph seven, respondents have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in paragraph twelve, at the time the representations were made.

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

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

EXHIBIT A



Complaint

125 F.T.C.

EXHIBIT A

SAMI EL HAGE, O.D., Ph.D., D.Sc.

For the past 30 years, Dr. Sami El Hage has been involved in research, teaching, clinical practice, and professional activities. His practice is well established as one of the most prominent in Houston. An internationally acclaimed writer and lecturer, he has written over 50 articles and chapters in scientific jour-



nals and books, and co-authored a book titled *The Optics Of The Eye* with professor Yves Le Grand. He has presented his research at over 100 university lectures and medical congresses worldwide. Dr. El Hage has taught over 20 differ-

ent university courses in optometry and speaks five languages. A leader in advanced eye care technologies, he has been featured in local, regional, national, and international publications. In addition to his literary successes, Dr. El Hage is the inventor of a computerized corneal topographer for which he holds four patents.

TRAINING AND EXPERIENCE

Dr. El Hage has had extensive academic experience in addition to his professional accomplishments. He received his O.D. degree from the Pennsylvania College of Optometry, and Ph.D and D.Sc. from the University of Paris. He also taught at the University of Paris and The University of Houston College of Optometry, where he was a tenured full professor and

Complaint

EXHIBIT A



graduate faculty member at the age of 33, Dr. El Hage has also lectured extensively, nationally and internationally. In 1967, he was invited by the British Council to the City University in London for post doctoral work. Dr. El Hage also founded the Corneal Research Laboratory with Professor Herbert Schöber "Institut für Medizinische Optik Der Universität München" in 1968. In 1969, he received a fellowship from the "Istituto Nazionale Di Ottica" Florence-Arcetri. He was also elected as an Honorary Fellow of the "Colegio de Optometristas de Venezuela" in 1974. He received the Grand Honors award from the National Eye Research Foundation in 1980. Dr. El Hage is a consultant to many countries and organizations and is the founder and president of the International Council of Optometric Research (ICOR).

TECHNOLOGICAL ADVANCEMENTS

Dr. El Hage's invention of the Corneal Topographer is the result of more than 10 years of research and has revolutionized the field of corneal research. The invention uses light reflection to map the surface of the eye. Because the shape of the eye's surface or cornea can be the cause of nearsightedness, astigmatism, and farsightedness, the Corneal Topographer is an excellent tool for pinpointing the extent of a vision problem. Accurate measurement of the cornea is also essential in the fitting of contact lenses. This is especially important in CKR since it allows Dr. El Hage to monitor changes in the shape of the cornea and provide the best fit possible.

SEH 000924

Complaint

125 F.T.C.

EXHIBIT A

NATURAL VISION IMPROVEMENT

Imagine being able to easily read the alarm clock without your glasses, see street signs clearly, or participate in sports without lenses of any kind. These are just a few of the ways peoples' lives are changing after

THE BENEFITS OF CKR

See better without help from glasses or contact lenses

Prevents deteriorating vision in children caused by myopia

Free of surgical complications or pain

Improvement occurs rapidly—within weeks or months

No disruption of vision—your eyesight improves

Occupational unaided vision demands may be met for careers such as pilots, policemen, firemen, athletes, etc.

undergoing the procedure known as Controlled Kerato-Reformation, or CKR.

CKR is a non-invasive procedure that dramatically improves natural vision by reshaping the front curvature of the eye (called the cornea) with specially designed contact lenses, or molds. This procedure has provided corrective eye care to many thousands of patients without the risks or complications associated with surgery. Visual defects known as near-sightedness (myopia), farsightedness (hyperopia), and astigmatism occur when light rays entering the cornea focus incorrectly, producing blurred vision. Often by changing the shape of the cornea the defect

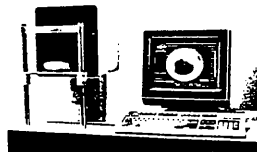
can be resolved. CKR utilizes a series of molds prescribed in progressive stages to gently reshape the cornea, similar to the way braces are used to straighten teeth. The lenses consist of a highly oxygen permeable material with a special design that encourages the natural tissue of the cornea to conform to the curvature of the lens. The changes are so gradual that

Complaint

EXHIBIT A

the patient enjoys clear comfortable vision at all times.

The CKR procedure involves thorough examinations, mold changes, and/or mold modifications as needed until desired results are obtained. The process



can take from six weeks to a few months or longer to complete, depending on the severity of the problem. The result is dramatically

improved vision with retainer lenses being worn on a limited basis, sometimes only at night during sleep, to maintain the new shape of the cornea.

Developed in 1962, Ortho-K has been used for years to help pilots, athletes, and others who required unaided vision for their occupations. Now, with new research developments such as computerized corneal topography (mapping which provides a more accurate fit and diagnosis) and new mold designs and materials, CKR, the second generation, is becoming the eye care trend of the future.

A SAFE ALTERNATIVE TO RK SURGERY

In contrast to Radial Keratotomy surgery which involves making incisions on the eye, CKR does not leave scar tissue which may cause vision glare at night or other side effects. CKR is also free of surgical complications or pain, and there is no disruption of vision as eyesight improves.



SEE YOUR DOCTOR

Complaint

125 F.T.C.

EXHIBIT A

SAVING CHILDREN'S VISION

One of the most exciting uses for CKR is controlling myopia (nearsightedness) in children. Unfortunately, nearsightedness is a progressive disease, which is why 75% of the nearsighted population have to periodically increase their prescription. As years pass, from elementary school to college and in later life, a person's vision gradually worsens. For instance, only 4% of 8 year olds are nearsighted, while over 30% of the general population is nearsighted. CKR prevents this deteriorating vision in children by actually halting myopia in its tracks.

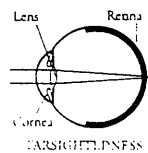
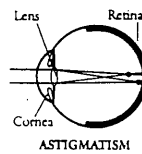
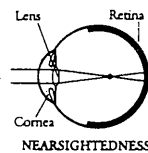
RESULTS

Myopia (Nearsightedness): CKR is highly effective in improving myopia. Mild to moderate degrees of myopia may be corrected from 20/400 to 20/20 - 20/50. Higher degrees of myopia can be controlled to allow functional vision without lenses.

Astigmatism: CKR usually either eliminates or greatly reduces mild astigmatism. Higher amounts of astigmatism can also be improved to enhance vision.

Hyperopia
Farsightedness

Nearsightedness
Myopia



Complaint

EXHIBIT A

Presbyopia ("Reading Vision"): This is due to a normal aging process by which the lens inside the eye does not respond to accommodation and therefore is not correctable with these procedures.

SAFETY

Four university research studies have shown Corneal Refraction to be safe and effective, with no harmful side effects. These studies include the University of Houston College of Optometry (5 years); University of California at San Diego Medical School (7 years); University of California at Berkeley College of Optometry (3 years); Pacific University College of Optometry (5 years).

A NEW LOOK ON LIFE

CKR enables people to participate in activities that were previously difficult or even impossible without lenses, such as contact sports and swimming. The procedure also provides functional vision without glasses or contacts, so that simple tasks such as reading an alarm clock or clearly seeing street signs are not difficult anymore.

FIND OUT IF CKR IS RIGHT FOR YOU

Call for an appointment to view an informative film and receive a free consultation and color computerized map of your eye to help determine if you are a candidate for this procedure.

If CKR is determined to be right for you, then you might also be one of the many who are no longer dependent on glasses or contacts.

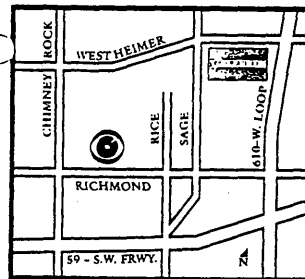
Call 713-621-9001 toll free for an appointment.

SEEK 0112428

Complaint

125 F.T.C.

EXHIBIT A



"I am a sports enthusiast and now I can get involved without the restrictions of glasses." -G.M.

"I have been through the program and I am very happy with it, and I am bringing my daughter in to do it." -A.S.

"I never realized how precious the gift of sight was until I went through this procedure." -A.S.

"I am very happy with the program and I would recommend it with no reservation." -D.M.



Eye Care Associates

SAMUEL HAGE O.D., Ph.D., D.Sc.

5320 Richmond Avenue
Houston, Texas 77056
(713) 621-9001

SEE DECISION

EXHIBIT B

OFFICIAL TRANSCRIPT PROCEEDING

FEDERAL TRADE COMMISSION

MATTER NO. 9523405

TITLE ORTHO-KERATOLOGY PROVIDERS

DATE RECORDED: UNKNOWN
TRANSCRIBED: DECEMBER 14, 1996
CORRECTED: MARCH 5, 1997

PAGES 1 THROUGH 12

VIDEO-TAPED ENTITLED:
"WHAT IS CKR? INFORM YOUR PATIENT"

FOR THE RECORD, INC.
603 POST OFFICE ROAD, SUITE 309
WALDORF, MARYLAND 20602
(301)870-8025

EXHIBIT B

Complaint

125 F.T.C.

EXHIBIT B

2

1 FEDERAL TRADE COMMISSION

2

3 In the Matter of:)

4 Ortho-Keratology Providers) Matter No. 9523405

5)

6 -----)

7

8

9

10

11

12 The following transcript was produced from a video-tape
13 provided to For The Record, Inc. on December 13, 1996.

14

15

16

17

18

19

20

21

22

23

24

25

For The Record, Inc.
Waldorf, Maryland
(301)870-8025

861

Complaint

EXHIBIT B

3

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

2 - - - - -

3 HANI SHAFI (Young Boy): And I left them on a brown
4 couch when I was over at a friend's house and then for some
5 reason -- I think we went swimming, and then when I came in, I
6 sat down on them and I broke the arm right off. And so I was
7 wearing my glasses with only one arm for about six months.

8 PATI MARIK: Glasses are -- are limiting. You know,
9 they get catty-whampus, you know, they're not -- they're --
10 they get greasy.

11 CAROLINA ARAYA (Young Girl): All the time you have
12 to clean them because they look all gross on the outside.

13 PATI MARIK: You have to be wiping them and then you
14 scratch them.

15 HANI SHAFI (Young Boy): I finally got some new
16 glasses, which were then too big. And then I got hit with a
17 basketball and then that made my glasses all crooked.

18 SHERYL NOBLE: And then I had regular glasses for
19 when I didn't have my lenses on and then all of a sudden I had
20 to get reading glasses, and then you've got sunglasses.

21 HANI SHAFI (Young Boy): I'll either have to wear
22 glasses or contacts the rest of my life and that really kind
23 of bummed me out to have to worry about glasses and just
24 getting thicker and thicker lenses.

25 ANNOUNCER: Glasses can make a person cross, one

Complaint

125 F.T.C.

EXHIBIT B

4

1 minute they're there and the next they're lost. Red marks on
2 your nose, ears that get sore. Buying new specks, money,
3 headaches galore. They scratch, they blur, they hide your
4 face. Wouldn't it be wonderful to keep them in their case?

5 JAY REDMON (Commercial Pilot): I don't trust
6 anybody putting a scalpel to my eyeballs. They're my
7 livelihood. They're how I make a living. So I was looking
8 for an option that was very safe and that was also going to
9 give me the results and CKR gave me the results. I now have
10 20/20 vision without my contacts and get along absolutely
11 great.

12 SHERYL NOBLE: Everything I do outdoors I can now do
13 without any lenses. And before I could not do anything, I
14 could not walk without lenses or glasses.

15 HANI SHAFI (Young Boy): When I go and talk to a
16 girl that I think is, like, pretty or something, you know,
17 like, before I was like oh, my gosh, my glasses are so dorky.
18 And, you know, it's just kind of like embarrassing. But now
19 you can just pretty much feel a bit more self-confidence.

20 ANNOUNCER: CKR, which stands for Controlled Kerato-
21 Reformation is a nonsurgical procedure that gradually reshapes
22 the cornea, thus dramatically improving one's natural vision.
23 The idea is very much like braces for the teeth.

24 DR. SAMI G. EL HAGE (Founder of ICKRS): Same idea,
25 like the braces for the eyes. Actually, some of our patients

For The Record, Inc.
Waldorf, Maryland
(301) 870-8025

861

Complaint

EXHIBIT B

5

1 come and ask us about it and call it the braces of the eye.
2 Indeed, we do change the curvature of the cornea, so people
3 with myopia on each side of 20/400 can see at, or close to,
4 20/20.

5 ANNOUNCER: Your eyes' ability to focus properly is
6 dependent on the lens and the cornea. Under normal
7 circumstances the images you see are projected on the light
8 sensitive part of the eye, which is called the retina.

9 The retina is like a film camera. An average shaped
10 cornea bends light so that the images you see land right on
11 the retina. For far-sighted people the images are projected
12 behind the retina, for near-sighted people the images are
13 projected in front. With astigmatism images are focused on
14 two different points. In all three cases vision is blurred.

15 CKR uses specially designed rigid gas-permeable
16 contact lenses, often referred to as molds. They're called
17 molds because of the way they change the shape of the cornea.
18 Changing the cornea's shape allows images to be focused on the
19 retina. That's when clear vision is achieved.

20 CAROLINA ARAYA (Young Girl): I told my friends that
21 they give you a pair of contacts and they -- um, they're going
22 to start helping your eyes and to make them 20/20. But it
23 will take a while, it won't take that long, but it will take a
24 little while.

25 SHERYL NOBLE: First time I noticed the difference

Complaint

125 F.T.C.

EXHIBIT B

6

1 in my vision was probably a week after I started. I mean,
2 immediately, I thought something was wrong because I couldn't
3 see out of these lenses anymore, and what it was doing was
4 changing my eyes.

5 NORMAN LEACH (Associate Professor, U of H College of
6 Optometry): CKR is -- is beneficial in patients who are
7 nearsighted and have small to moderate amounts of astigmatism,
8 and occasionally a far-sighted purpose -- person will benefit
9 from that as well. But mostly it's for those people who are
10 near-sighted.

11 DR. SAMI G. EL HAGE: That is not to say that we can
12 give everyone 20/20 vision, but in most cases we can give them
13 functional vision and less dependency on glasses and contact
14 lenses.

15 PATI MARIK (Teacher): Well, I just was not
16 satisfied at all with the way that I that could see things and
17 I knew there must be a better way some place, but I didn't
18 know where.

19 JAY REDMON: Of course, FAA requires that we
20 maintain 20/20 vision corrected and we also are tested
21 uncorrected and we have to meet standards there and right now
22 it's at 20/200 corrected to 20/20. And I could squeak out
23 2200, but it was a little nerve -- nerve-wracking, so I was
24 looking for a way to improve uncorrected vision.

25 DR. SAMI G. EL HAGE: CKR is the second generation

For The Record, Inc.
Waldorf, Maryland
(301) 870-8025

861

Complaint

EXHIBIT B

7

1 of a procedure called ortho-keratology. It has been studied
2 by four universities, patient was monitored for over 40 years
3 closely and it proved to be a safe procedure.

4 Now, where CKR differs from ortho-keratology is that
5 we take the topography of the cornea. Like the topography of
6 the cornea behind me, the slide projected behind me, it shows
7 the hills and valleys of the cornea. It shows the asperisity
8 of the cornea. It shows the shape factor of the cornea.

9 From these measurements we design the specific mold.
10 These molds are based on the total topography, they do reshape
11 the cornea, modify and reform the cornea, and reduce near-
12 sightedness and improve vision.

13 In the past they used to guess about the shape of
14 the cornea. With this topographer we can measure up to 8300
15 points over the cornea.

16 ANNOUNCER: This is the cornea topographer that
17 Doctor El Hage invented. It's used to determine what kind of
18 molds a patient's cornea needs for reshaping.

19 NORMAN LEACH: This instrument reflects a series of
20 rings off the front of your eye and a computer then analyzes
21 these reflective rings and we get a color map of what the
22 cornea looks like.

23 By having this instrument then we can measure what
24 the corneal shape is to start with and then we can monitor the
25 changes that we're making as we go through the program. And

For The Record, Inc.
Waldorf, Maryland
(301)870-8025

Complaint

125 F.T.C.

EXHIBIT B

8

1 as you improve in your vision then we will need to make
2 subsequent changes in the contact lenses, or the corneal
3 molds, so that we can keep the process going.

4 JAY REDMON: They're very comfortable, very easy to
5 wear, and you don't know that the procedure is taking place,
6 that he's making the improvements, because all -- you're just
7 wearing your contacts on a daily basis.

8 HANI SHAFI: My vision just kept getting better and
9 better and at night when I'd take my contacts out to sleep,
10 then I'd just notice that I could see -- see things that I
11 couldn't see before without my glasses.

12 JAY REDMON: It took about four to five months for
13 me to get from my 20/100 vision to 20/20 uncorrected. So
14 progress comes very rapidly.

15 DR. EL HAGE: The molding process, or re-formation
16 of the cornea, varies from one patient to another. It depends
17 on the near-sightedness or myopia of the patient and the
18 corneal rigidity of the patient. Everyone is different.

19 NORMAN LEACH: All a patient needs to be able to do
20 -- once they're determined to be a good candidate -- is to be
21 able to put on lenses, contact lenses, take off contact
22 lenses, follow the doctor's instructions carefully, and
23 maintain their follow-up visits.

24 HANI SHAFI: And then after however long it takes
25 for your vision to get corrected they give you retainer

For The Record, Inc.
Waldorf, Maryland
(301) 870-9025

861

Complaint

EXHIBIT B

9

1 lenses. And the retainer lenses are lenses that you only have
2 to wear for, like, certain amount of hours a week, whatever
3 the doctor tells you to, and then that's just to keep your
4 eyes in the shape they are so you can keep your vision.

5 NORMAN LEACH: The benefits of CKR attract people of
6 all ages from all walks of life with various vision
7 requirements. The thing that attracts them the most, perhaps,
8 is the fact that it's a nonsurgical procedure.

9 SHERYL NOBLE: I investigated a lot of things before
10 I decided on CKR, but I had a lot of friends try RK. I found
11 that it worked sometimes, it didn't sometimes. Sometimes you
12 had to go back and do it again. I don't like surgery.

13 PATI MARIK: It was painless, let me tell you that
14 off the bat.

15 CAROLINA ARAYA: I would tell them to not be afraid
16 because it's all easy and it works very good.

17 NORMAN LEACH: The only risks or side effects
18 associated with CKR are -- are those -- those same risks and
19 side effects that are associated with rigid gas-permeable
20 contact lenses. And those can be avoided, or certainly
21 reduced, by following proper hygiene in care of your lenses
22 and also by certainly following your doctors' instructions on
23 how to wear the contact lenses.

24 About 95 percent of those patients who complete the
25 CKR program do, in fact, achieve functional vision.

For The Record, Inc.
Waldorf, Maryland
101-871-8025

Complaint

125 F.T.C.

EXHIBIT B

10

1 ANNOUNCER: If you read through the comments we've
2 received from patients who have completed their CKR programs
3 with us, you'd see the words "thank you" written over and over
4 again. Thank you for the chance to play sports unencumbered.
5 Thank you for taking the pressure off my ears and nose. Thank
6 you for giving me my face back.

7 If you want to see better without glasses or contact
8 lenses CKR could be the answer for you. You'll see
9 improvement quickly with no surgery, no pain, and no
10 disruption to your vision as the improvements occur. What a
11 wonderful life it is not being so dependent on glasses and
12 contacts.

13 HANI SHAFI: I think sight is the most important
14 thing because that involves everything you do.

15 SHERYL NOBLE: I think the better you can see, the
16 better you feel.

17 CAROLINA ARAYA: I don't like wearing glasses when
18 I'm ice skating because they bother me.

19 JAY REDMON: Hey, leave your contacts at home. Go
20 -- go do what you want to do, ride your bicycle with the kids
21 or climb mountains or scuba dive. It gives you so much more
22 freedom than having to hassle with glasses or contacts.

23 PATI MARIK: You know, you really don't know what
24 you're missing until you see what you're missing.

25 HANI SHAFI: I never thought I'd have close to

For The Record, Inc.
Waldorf, Maryland
(301) 870-8025

861

Complaint

EXHIBIT B

11

1 perfect vision again, you know.
2 SHERYL NOBLE: It's wonderful. I can see again.
3 (Whereupon, the vide-tape was concluded.)
4

12

1 C E R T I F I C A T I O N O F T Y P I S T

2

3 DOCKET/FILE NUMBER: 9523405
4 CASE TITLE: ORTHO-KERATOLOGY PROVIDERS
5 TAPING DATE: UNKNOWN
6 TRANSCRIPTION DATE: 12/14/96

7

8 I HEREBY CERTIFY that the transcript contained herein is
9 a full and accurate transcript of the tapes transcribed by me
10 on the above cause before the FEDERAL TRADE COMMISSION to the
11 best of my knowledge and belief.

12

13 DATED: December 14, 1996

14

15

16

17

18 C E R T I F I C A T I O N O F P R O O F R E A D E R

19

20 I HEREBY CERTIFY that I proofread the transcript for
21 accuracy in spelling, hyphenation, punctuation and format.

22

23

24

Debra Arnold
DEBRA ARNOLD

Complaint

125 F.T.C.

EXHIBIT C

CKR Success Stories

In just a couple of weeks I was able to see 20/20 without glasses or my special contacts. It's wonderful!! I no longer have to worry about taking my glasses on or off. I can even wear really "cool" sunglasses without having to have them prescription made! ... AY

My eyesight is much better. I am totally independent of my glasses. In fact, I can't see out of them. For those people who hate glasses like I do, this is an alternative to eye surgery. ... SW

I now can see clearer than I ever have without glasses. I drove without any corrective aids for the first time this week. No more glasses after removing my contacts. Even without contacts, I can function almost normally. I look forward to each visit with anticipation and I can see results daily. Several of my friends are charting my progress with intentions to have this done also. It's great! ... CN

My vision has improved dramatically. I don't have to be on top of my mirror to put make up on in the morning. I'm not constantly pushing my glasses back up on my nose and dealing with pressure from behind my ears. It is an extremely easy and painless procedure with a big payoff. I feel more confident without my glasses. I like not being dependent on them. ... DS

I am able to read and see at distance with 20/20 acuity. I have been able to fly my plane without corrective lenses and I passed all required vision tests. ... VP

I can see leaves on trees and I can see to drive at night where before I couldn't. It (CKR) has brought me out of a fog. ... RMH

My vision has improved dramatically. I am very close to 20/20. CKR has given me confidence, as I was growing increasingly concerned about my vision. Seeing is believing! ... DC

EXHIBIT C

SEH 000155

EXHIBIT C

CKR Success Stories

When I came to your office I could not see my alarm clock from my bed, or watch television without my glasses. I can now read the time from across the room, watch television from all the way across my living room and into my kitchen, and best of all, play sports without glasses or contacts to worry about breaking, slipping, or losing. I've been able to play softball and volleyball eye wear free. For scuba diving, it has made the biggest difference, since I never wanted to wear contacts in my mask. I genuinely like the concept of correcting my vision without cutting on my delicate, irreplaceable eyes. I look forward to water and snow skiing this year!! ... CEB

My eyesight got progressively better every week, and within two months I could see without the help of eyeglasses or contacts. ... HH

When I started the program, I could not see the "Big E" on the eye chart. Now without my lenses in I can see 20/40 and can enjoy reading a book. I can function and see with or without lenses. Many of my friends are excited about beginning the program. ... RR

Changes have been just amazing. No more squinting, walking around feeling for my glasses. It feels like the fog has finally lifted and all is clear. I thought surgery was the only way to get rid of my contacts and dispose of my glasses. Boy was I ever wrong! I've told my co-workers how remarkable this process is. ... JR

I'm beginning to notice (see) things I never realized I was missing and everything is so clear! My visual acuity has definitely improved. I no longer fear losing my sight altogether. My vision had begun to deteriorate rapidly and I was afraid I would be blind within the next few years. It's painless and the results are extraordinary. ... CW

Complaint

125 F.T.C.

EXHIBIT C

CKR Success Stories

After about 4 days I noticed when jogging that I could read the "Lotto" sign from 100's of yards, not possible before. I also could watch TV from a distance not possible prior to the treatment. I no longer have to rely on glasses and each year or two changing prescriptions or frames. I will pay for this treatment over and over. The savings goes into my pocket not having to buy glasses. ... JT

I feel better about myself. It has changed my life by giving me a sense of freedom and joy that I have not experienced in years due to the burden of eyeglasses. I'm no longer self conscious of my appearance in glasses because I don't need them. ... LH

My vision has changed from needing corrective lenses to 20/20 in ten days. I am apprehensive about quick remedies for any kind of ailment, but I will not only verify, I will spread the good news about the changes I have experienced with all my friends. I am a sports enthusiast and now I can get involved without the restrictions of glasses. ... GWM

I can see now!! I thought I would be prisoner to my contacts/glasses for the rest of my life. I am now enjoying normal vision for the first time in approximately 25 years. CKR gave me my freedom back!! At the very beginning of my treatment, I had my doubts. It sounded too good to be true. I am now a BELIEVER!! I no longer have a strong reliance on vision correction to see. It is such a delight to be able to see without correction. It has opened a whole new world!! I am no longer visually handicapped. ... CJC

I can see things I never have been able to see before. I really noticed a big difference this past week. I felt I could almost see as good with the lenses in as I could with them out! I really felt I made progress. I can swim now and see everything around me! I can see the alarm clock in the middle of the night without bringing it close to my face! I can even read the directions on the shampoo bottles in the shower!! I recommend it (CKR) to my students, family, and friends. They all follow my progress almost as closely as I do! ... RP

SEN 000157

861

Complaint

EXHIBIT C

CKR Success Stories

I have 20/20 vision without corrective eye wear! Three and a half months ago my vision was 20/400. I can now see the birds and squirrels playing on the wires and in neighboring yards without corrective eye wear. No more glasses sliding down my nose when I'm working outside. No more sore ears from ill fitting glasses. I now have freedom. I can see at concerts, etc. without having a line from my bifocals. No more tilting my head at angles to avoid the bifocal line when going down steps. ... SJ

Since starting the program 3 months ago, I have felt my vision improve dramatically. I have not been as dependent on contact lenses as I was before; and I no longer have to worry about going swimming or playing sports with contacts. Because of CKR, I will have 20/20 vision for the rest of my life. ... MM

In the first 7 days, I went from 20/100 left eye to 20/60, then in 11 days I went to 20/15 left eye. The right eye was 20/200 from the start and in 7 days went to 20/150 - no change in 14 days. Also, the astigmatism in both eyes is completely gone. I am excited about being able to see clearly without needing surgery, because I don't like pain and there is nothing painful about CKR. I absolutely recommend this service to others because, "why see a little when you can alot!" When I see people in restaurants with thick glasses, I want to go up to them and tell them about CKR. ... AW

My eyesight has improved to a point that I can go without contacts for periods of time. I can drive, play sports, and watch TV without contacts. I can do things without concern about losing a contact. Water activities in the lake and pool are much more enjoyable. ... PB

Drastic changes! I started the program not being able to read huge billboards. To this point, I can almost read street signs. Now I can hopefully get my aviation medical without restrictions. I believe this really works, I'm proof!! ... KI

SEN 000153

Complaint

125 F.T.C.

EXHIBIT C

CKR Success Stories

Changes have been dramatic. I typically tested around 20/60 to 20/80 on yearly eye tests associated with my job and now I test 20/20. I now have greater freedom and flexibility of not having to wear lenses from sun up to sun down. ... KH

I have seen my vision improve dramatically since starting CKR. My vision went from reading the big E on the eye chart to seeing 20/20 without glasses. I also believe that the overall health of my eyes have greatly improved. No longer is there anxiety when taking physicals for my job. Along with better vision and healthier eyes, there is an increased self-confidence in all aspects of my life - especially so in my professional career. To make gains such as I have, without surgery - and especially the risks associated with surgery, is, without a doubt, the only way to go. ... JR

SEH 000159

861

Complaint

EXHIBIT D

and skin care
as well.
ons. American
stic and Recon-
American Board
ad and Neck
American Board of

1350. 526-5665.

surgery, facial
surgery, facial
surgery, hand

part: "I believe
and the needs
ents and con-
them their de-
a successful
n carefully to
well as after the
ent lengths to
nfortable with
efore, during,
d procedures.
like surprises
d I work hard
quent as pos-

American
y.
75, 522-5664.

asty, liposuc-
t: "Extensive
c and recon-
my ongoing
ational pre-

ny choice to
s and ener-
extremely
what they
listen to the
ce arrange-
ometimes for
I as week-
it's impor-
tant to be

...in plastic and
cosmetic surgery. He has been practicing in
Houston since 1975 and is affiliated
with several Houston area hospitals.
Breast Enlargement performed
with Saline Implants.

NOW OFFERING ENDOSCOPIC & LASER PROCEDURES

Free Consultation and
Computer Imaging.
Financing Available.

776-9525
Ali A. Towhidi, M.D.
7777 S.W. Freeway, Suite 358



**IMPROVE
VISION
WITHOUT
SURGERY**



Sami El Hage O.D., Ph.D., D.Sc.



Adults and children now have the option to non-surgically correct nearsightedness and astigmatism. It is called Controlled Kerato-Reformation, or CKR for short.

CKR uses specially designed contact lenses that correct vision and reshape the cornea simultaneously. The CKR lenses, or molds, are worn daily, in place of glasses or other contact lenses. Within a period of a few days to a few months vision can be restored to 20/20 or close to 20/20 as possible, so that the patient can obtain good, functional vision without dependence on glasses or contacts, and without the risk and side effects commonly associated with surgical procedures.

The results of CKR have been phenomenal and life changing for my patients, says Dr. El Hage. Here's what just a few of them had to say about the remarkable improvement in their vision.

Sami El Hage O.D., Ph.D., D.Sc. creator of CKR

"My vision improved the very first time I put the contacts on. And I had 20/20 vision about two weeks after I started wearing them."

Edwin V.

"The initial change was very dramatic. Within the first 24 hours, my vision was improved to about 20/30. Since that initial change, my vision has progressed to 20/20, and I can see quite well during the day after taking my lenses out in the morning. This is the first time in 20 years that I have been able to go about my daily routine without the assistance of glasses or contacts. ... I was initially quite skeptical about the ability of a non-invasive procedure to achieve a significant improvement in my vision. Now I recommend CKR to anyone who will stand still long enough for me to tell them about my experience! ... Anyone who has to wear glasses or contacts understands the difference that good, unaided vision would make in their lives. This program is the single most important thing I have ever done to simplify and remove stress from my life."

Amy D.

"I can see TV without any lenses on. I can drive during the day without contacts. This is wonderful! Just by being able to see better, 20/20, I can get up in the morning and not have to wear my glasses or contacts. A great feeling indeed!"

Sybil D.

February 1996 • Health & Fitness Magazine

SEH 006805

EXHIBIT D

Complaint

125 F.T.C.

EXHIBIT D

Nov. 95

IMPROVE VISION WITHOUT SURGERY

Adults and children now have the option to non-surgically correct nearsightedness and astigmatism. It is called Controlled Kerato-Reformation, or CKR for short.

CKR uses specially designed contact lenses that correct vision and reshape the cornea simultaneously. The CKR lenses, or molds, are worn daily, in place of glasses or other contact lenses. Within a period of a few days to a few months vision will be restored to 20/20 or close to 20/20 as possible, so that the patient will obtain good, functional vision without dependence on glasses or contacts, and without the risk and side effects commonly associated with surgical procedures.



Sam El Hage O.D., Ph.D., D.Sc.



The results of CKR have been phenomenal and life changing for my patients, says Dr. El Hage. Here's what just a few of them had to say about the remarkable improvement in their vision.

Sam El Hage O.D., Ph.D., D.Sc. creator of CKR

"My vision improved the very first time I put the contacts on. And I had 20/20 vision about two weeks after I started wearing them."

Edwin V.

"The initial change was very dramatic. Within the first 24 hours, my vision was improved to about 20/30."

Since that initial change, my vision has progressed to 20/20, and I can see quite well during the day after taking my lenses out in the morning.

This is the first time in 20 years that I have been able to go about my daily routine without the assistance of glasses or contacts...

...I was initially quite skeptical about the ability of a non-invasive procedure to achieve a significant improvement in my vision. Now I recommend CKR to anyone who will stand still long enough for me to tell them about my experience!

"Anyone who has to wear glasses or contacts understands the difference that good, unaided vision would make in their lives. This program is the single most important thing I have ever done to simplify and remove stress from my life."

Amy D.

"Prior to correction I could not see clearly beyond arm's length now I can drive without contacts or eyeglasses."

...This is a painless, corrective procedure, scientifically proven, without the potential complications/ramifications of RK.

...My vision has improved from 400/300 to 30/20. I can see again!"

Hank N.

To find out more about CKR, please contact our office. For more information and a free consultation, call

(713) 621-9001

(Galleria Area)

prior to the event." At Vaseline on all joints, ankles, hips, and elbows.

After the race, assume a carbohydrate. This will improve grip and help bring about turn. Hydration remains you cross the finish line race festivities, make ment a priority. (To c dration, weigh yourself ounces of fluid for e during the race.) We help prevent leg cramp rice massage can le-

FAUX

Runner Jill Was rector of nutrition Twelve Oaks Hospi runners on their di

• During pre-r runners do not ge hydrates, particu three days.

Good high choices include rice, pasta, polt cakes. "If they're a high-carbohydr they just need to pasta a day, and says Washburn.

Read pack according to siz 600 carb grams "If they're not get and junk foods u be hard to get crates," says W.

• Don't ob during pre-ma carb loading, weight gain, gain the ve gr the Washburn

• Don't be, lot of the

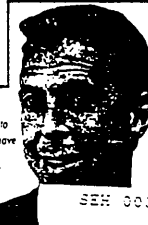
BALDNESS...

You can live with it,
or your answer could be...

LINE GRAFTING



"It's remarkable. You owe it to yourself to find out more... What have you got to lose, you haven't already lost!"



SEX 000814

EXHIBIT E



Steve Hudson & Lacy Bankston

"Texas Bodyware is owned by athletes who use the products they sell and know the importance of product knowledge and crucial timing"

Steve Hudson-Owner

past year. With this issue of Health & Fitness we celebrate our first year in business. Without your support, my dream of providing quality nutritional products and creative designer wear would never have been accomplished.

With your encouragement and support much has been accomplished in the past year. We opened our first retail store on Kirby April 1995; In December 1995 we began production on the first ever National Fashion and Fitness Catalog; and finally, in March of this year we began plans to open a second retail store in Houston - WHAT A YEAR! Thanks again for your encouragement and support.

Steve

Horror	Hot Blood
Horror Dismal	Crater Year
Perfetto	Iron Me
Otomix	Bju
Hot Skins	American Muscle
Bloch	

30%-50% Off
Selected Aerobic Wear

**Mail Order Catalog
Call Now**

Texas Bodyware goes National with the release of a "Fashion & Fitness" catalog this month. A first in the industry. Order your FREE Premier copy now. Call "Catalog" at 713.521-2325 or 1.800.527.2361

25 Kirby • Suite G (between Sunset & Rice) • Houston • TX • 713.521-2325 • Fax 713.862-1395
HOURS: Monday - Thursday 9-9, Friday & Saturday 9-7, Sunday Noon-5

Houston Resident Enjoys Improved Vision Through A Revolutionary Eyecare Procedure!

When Houston resident Sylvia Dickerson, read the newspaper article about a revolutionary procedure called Controlled Kerato-Reformation (CKR) that improved vision without surgery, she became very excited. Her vision had steadily worsened since 1984 when she was first prescribed glasses. She was concerned with where her eyesight was going, as well as with the high annual costs of correction lenses. "I was so concerned that I even investigated R.K. surgery," said Ms. Dickerson. "But, I was terrified of the permanence of eye surgery. What if something went wrong? When I learned about CKR it made much more sense to me."

Sylvia's vision was 20/400 when she began treatment in November 1994. Today her vision is 20/20 unaided! Sylvia observes, "I had forgotten what it was like to drive at night without so much glare that everything looked blurry. I wake up in the morning and I can see clearly. Softball, volleyball and swimming are all much more fun now that I don't have to wear glasses or contacts. I have enthusiastically recommended this procedure to all my friends and co-workers."

The procedure offers remarkable results for patients with nearsightedness, giving them free-



Sylvia Dickerson discusses her improvement in vision from 20/400 to 20/20 with Dr. Sami El Hage of Eye Care Associates.

dom from glasses and contacts for everyday living," says Dr. El Hage, the inventor of a highly acclaimed computerized corneal topographer that maps the surface of the eye. "It's very exciting for me to be able to offer a safe and effective alternative to surgery for my patients."

CKR is also used to treat astigmatism and farsightedness to a certain degree. To learn if you are a candidate for CKR you are invited to arrange a **FREE CONSULTATION** with Eye Care Associates, 5320 Richmond Ave., near the Galleria at (713) 621-9001.

Carol Mann - PGA Hall
celler

**Kingwood
Country Club
to Host Ric
Golf Classi
April 15**

RICE UNIVERSITY'S RICE Classic is set for April 1. Kingwood Country Club crowd-pleaser for females will benefit the Women's Department at Rice.

Entry is \$125, which includes 18 holes of championship green fees, golf cart, rain refreshments on course, door prizes, hole prizes and celebrity prizes.

Tourney registration is 8 a.m., with a shotgun start at 9 a.m. Carol Mann, LPGA Hall of Fame member, is honorary chair. For more information, call 528-5941.

Celebs Join H to Fight Drug Abuse

ACTOR AND MARTIAL
expert Chuck Norris kick
third annual Kick Drugs
America Tennis Invitational
Houston, April 19-20, at
Westwood Country Club.

This annual event ga-
support of a wide range
celebrities and pro playe
years. Special guests hav
cluded President George
tennis star Vijay Amritraj
Piscope, and President H
to take to the courts aga
him will be singer Micha
and actor Robert Conna

[illegible]

SEN 00091;

DECISION AND ORDER

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

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

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

1.a. Respondent Eye Research Associates, Inc., d/b/a Eye Care Associates ("ECA"), is a corporation formed under the laws of the state of Texas, with its principal office or place of business located at 5320 Richmond Avenue, Houston, TX.

1.b. Respondent ICKRS, Inc., d/b/a International Controlled Kerato Reformation Society ("ICKRS"), is a corporation formed under the laws of the state of Texas, with its principal office or place of business located at 5320 Richmond Avenue, Houston, TX.

1.c. Respondent Sami G. El Hage, O.D., is the sole owner and President of the corporate respondents. Individually, or in concert with others, he formulates, directs, and controls the acts and practices of the corporate respondents. His principal office or place of business is the same as that of the corporate respondents.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

DEFINITIONS

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

1. "*Competent and reliable scientific evidence*" shall mean tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that has been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

2. "*Clearly and prominently*" shall mean:

A. In a television or video advertisement, the disclosure shall be presented simultaneously in both the audio and video portions of the advertisement. The audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. The video disclosure shall be of a size and shade, and shall appear on the screen for a duration, sufficient for an ordinary consumer to read and comprehend it.

B. In a radio advertisement, the disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it.

C. In a print advertisement, the disclosure shall be in a type size, and in a location, that are sufficiently noticeable so that an ordinary consumer will see and read it, in print that contrasts with the background against which it appears. In multipage documents, the disclosure shall appear on the cover or first page.

D. In an advertisement on any electronic media received by consumers via computer, such as the Internet's World Wide Web or commercial on-line computer services, the disclosure shall be in a type size, and in a location, that are sufficiently noticeable so that an ordinary consumer will see and read it, in print that contrasts with the background against which it appears. In multi-screen documents, the disclosure shall appear on the first screen and on any screen containing ordering information.

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

3. "*Controlled Kerato-Reformation*" ("CKR") service shall mean the ophthalmic service or procedure using contact lenses or similar devices designed to reshape the cornea to reduce or eliminate visual defects known as nearsightedness (myopia), farsightedness

(hyperopia), and astigmatism (distorted vision), as trademarked by Sami G. El Hage.

4. "*Substantially similar service*" shall mean any ophthalmic service or procedure using contact lenses or similar devices to reshape the cornea to reduce or eliminate visual defects known as nearsightedness (myopia), farsightedness (hyperopia), and astigmatism (distorted vision).

5. For purposes of this order, "*respondents*" shall mean ECA and ICKRS, corporations, their successors and assigns and their officers; Sami G. El Hage, O.D., individually and as an officer of the corporations; and each of the above's agents, representatives and employees.

6. "*Commerce*" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

I.

It is ordered, That respondents, directly or through any partnership, corporation, subsidiary, division, or other device, including franchisees or licensees, in connection with the advertising, promotion, offering for sale, sale, or distribution of Controlled Kerato-Reformation ("CKR") services or any substantially similar service, in or affecting commerce, shall not represent, in any manner, expressly or by implication that:

A. Such service corrects nearsightedness and astigmatism thereby permanently eliminating the need for all corrective eyewear, including eyeglasses and contact lenses, for nearsightedness and astigmatism;

B. All or most people can achieve normal vision without eyeglasses or contact lenses on a permanent basis if they wear devices used with such service occasionally or at night; or

C. Studies at the University of Houston College of Optometry (1976-77), University of California at San Diego Medical School (1980), University of California at Berkeley College of Optometry (1982-83), and Pacific University College of Optometry (1984), prove that such service is safe and effective in correcting, controlling, or improving nearsightedness, farsightedness, and astigmatism.

II.

It is further ordered, That respondents, directly or through any partnership, corporation, subsidiary, division, or other device, including franchisees or licensees, in connection with the advertising, promotion, offering for sale, sale, or distribution of CKR services or

any substantially similar service, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about:

A. The number of people who can achieve normal vision without eyeglasses or contact lenses on a permanent basis if they wear devices used with such service occasionally or at night;

B. The number of people who will experience stabilized vision after only a few weeks or months of treatments under such service;

C. The ability of such service to prevent or reverse deteriorating nearsightedness in children;

D. The comparative safety of such service and contact lenswear;

E. The comparative effectiveness of such service and refractive surgical methods in eliminating nearsightedness, farsightedness, or astigmatism;

F. The number of people whom such service has helped achieve normal vision; or

G. The ability of such service to provide pilots or other career professionals with stable visual acuity sufficient to meet occupational vision requirements;

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

III.

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

IV.

It is further ordered, That respondents, directly or through any partnership, corporation, subsidiary, division, or other device, including franchisees or licensees, in connection with the advertising, promotion, offering for sale, sale, or distribution of any service, procedure, or product in or affecting commerce, shall not represent, in any manner, expressly or by implication, that the experience represented by any user testimonial or endorsement of the service, procedure, or product represents the typical or ordinary experience of

members of the public who use the service, procedure, or product, unless:

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

B. Respondents disclose, clearly and prominently, and in close proximity to the endorsement or testimonial, either:

1. What the generally expected results would be for users of the service, procedure, or product, or

2. The limited applicability of the endorser's experience to what consumers may generally expect to achieve, that is, that consumers should not expect to experience similar results.

For purposes of this Part, "endorsement" shall mean as defined in 16 C.F.R. 255.0(b).

V.

It is further ordered, That respondents, directly or through any partnership, corporation, subsidiary, division, or other device, including franchisees or licensees, in connection with the advertising, promotion, offering for sale, sale, or distribution of ophthalmic services, procedures, or products, purporting to treat, mitigate, or cure visual defects known as nearsightedness (myopia), farsightedness (hyperopia), or astigmatism (distorted vision), in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the relative or absolute efficacy, performance, benefits, safety, or success of any such service, procedure, or product, unless the representation is true and, at the time the representation is made, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation.

VI.

It is further ordered, That respondents, directly or through any partnership, corporation, subsidiary, division, or other device, including franchisees or licensees, in connection with the advertising, promotion, offering for sale, sale, or distribution of any service, procedure, or product in or affecting commerce, shall:

A. Not disseminate to any optometrist or eye care provider any advertising, promotional, or related marketing material containing any representations prohibited by this order;

B. Send by certified mail, return receipt requested, an exact copy of the notice attached hereto as Attachment A to each optometrist or eye care provider that attended a seminar on CKR services at which respondents taught since January 1, 1994, within thirty (30) days of the date this order becomes final, to the extent that such persons are known to respondents through a diligent search of their records, including but not limited to computer files, sales records, and inventory lists. The mailing shall not include any other documents; and,

1. In the event that respondents receive any information that subsequent to receipt of Attachment A any optometrist or eye care provider mentioned in subpart B of this part is using or disseminating any advertisement or promotional material furnished by a respondent that contains any representation prohibited by this order, if respondents have any agreement with that optometrist or eye care provider to market and/or perform CKR services, respondents shall immediately notify the optometrist or eye care provider that respondents will terminate said optometrist or eye care provider's right to market and/or perform CKR services if he or she continues to use such advertisements or promotional materials; and,

2. If respondents have any agreement with that optometrist or eye care provider to market and/or perform CKR services, respondents shall terminate any optometrist or eye care provider mentioned in subpart B of this part about whom respondents receive any information that such person has continued to use advertisements or promotional materials furnished by a respondent that contain any representation prohibited by this order after receipt of the notice required by subpart B of this part; and

C. For a period of three (3) years following service of this order, send by certified mail, return receipt requested, an exact copy of the notice attached hereto as Attachment A to each optometrist or eye care provider to whom respondents teach a seminar on CKR services after the date of service of this order who has not previously received the notice. Such notices shall be sent no later than the earliest of: (1) the execution of a sales or training agreement or contract between respondents and the prospective optometrist or eye care provider; or (2) the receipt and deposit of payment from a prospective optometrist or eye care provider of any consideration in connection with the sale of any service or rights associated with CKR. The mailing shall not include any other documents.

VII.

It is further ordered, That respondents ECA and ICKRS and their successors and assigns, and respondent Sami G. El Hage, O.D., shall, for three (3) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All advertisements and promotional materials containing the representation;

B. All materials that were relied upon in disseminating the representation; and

C. All tests, reports, studies, surveys, demonstrations or other evidence in their possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for such representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

VIII.

It is further ordered, That respondents ECA and ICKRS, and their successors and assigns, and respondent Sami G. El Hage, O.D., shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, independent contractors and representatives having responsibilities with respect to the subject matter of this order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

IX.

It is further ordered, That respondents ECA and ICKRS, and their successors and assigns, for a period of five (5) years after the date of issuance of this order, shall notify the Commission at least thirty (30) days prior to any change in their legal form of organization, including but not limited to dissolution, assignment, sale or other change that would result in the emergence of a successor partnership(s) or corporation(s), the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in respondents' name or address. Provided, however, that, with respect to any proposed change in respondents' legal form about which respondents learn less than thirty (30) days prior to the date such action is to take

place, respondents shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

X.

It is further ordered, That respondent Sami G. El Hage, O.D., for a period of five (5) years after the date of issuance of this order, shall notify the Commission of the discontinuance of his current businesses or employment, or of his affiliation with ECA or ICKRS, or of his affiliation with any new business or employment. The notice shall include the respondent's new business address and telephone number and a description of the nature of the business or employment and his duties and responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

XI.

It is further ordered, That respondents ECA and ICKRS, and their successors and assigns, and respondent Sami G. El Hage, O.D., shall, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

XII.

This order will terminate on May 18, 2018, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

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

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

ATTACHMENT A

BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED
[To Be Printed on ICKRS, Inc. letterhead]

[date]

Dear [optometrist or eye care provider]:

Eye Research Associates, Inc., d/b/a Eye Care Associates, ICKRS, Inc., d/b/a International Controlled Kerato Reformation Society, and Sami G. El Hage, O.D., recently settled a civil dispute with the Federal Trade Commission (FTC) involving advertising claims for our Controlled Kerato-Reformation (CKR) service. As a part of the settlements, we must make sure that you stop using or distributing advertisements or promotional materials that include these claims. Please see the attached settlement agreement for detailed information.

Our settlement with the FTC prohibits us from making false or unsubstantiated claims for CKR or any "substantially similar service," defined as "any ophthalmic service or procedure using contact lenses or similar devices to reshape the cornea to reduce or eliminate visual defects known as nearsightedness (myopia), farsightedness (hyperopia), and astigmatism (distorted vision)." Although we do not admit that the FTC's allegations are true, we have agreed to send this letter as a part of our settlement.

Sincerely yours,

Sami G. El Hage, O.D.
President
ICKRS, Inc.

IN THE MATTER OF

LANDAMERICA FINANCIAL GROUP, INC.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 7 OF THE CLAYTON ACT AND SEC. 5 OF THE
FEDERAL TRADE COMMISSION ACT

Docket C-3808. Complaint, May 20, 1998--Decision, May 20, 1998

This consent order requires, among other things, the Virginia-based corporation to divest, to Commission-approved acquirers, prior to the acquisition of Reliance Group, all of its rights, title and interest in certain title plants serving designated areas. In addition, the consent order requires the respondent to also divest all user or access agreements pertaining to each divested title plant, and to continue to provide computer and other services previously provided for each divested title plant.

Appearances

For the Commission: *Patrick Roach, Michael Antalics and William Baer.*

For the respondent: *John Graybeal, Parker, Poe, Adams & Bernstein, Raleigh, N.C.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and of the Clayton Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission ("Commission"), having reason to believe that respondent LandAmerica Financial Group, Inc., formerly known as Lawyers Title Corporation ("LTC"), a corporation subject to the jurisdiction of the Commission, directly and through one of its subsidiaries, has entered into an agreement for the acquisition of certain assets that constitutes a violation of Section 5 of the Federal Trade Commission Act, as amended (15 U.S.C. 45); and that such acquisition, if consummated, would constitute a violation of Section 7 of the Clayton Act, as amended (15 U.S.C. 18) and Section 5 of the Federal Trade Commission Act; and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, pursuant to Section 11 of the Clayton Act (15 U.S.C. 21) and Section 5(b) of the Federal Trade Commission Act, (15 U.S.C. 45(b)), stating its charges as follows: