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DIETARY SUPPLEMENT MAKER FINED FOR MISBRANDING  
COMPANY OWNER SENTENCED TO 21 MONTHS IN JAIL

DENVER, CO - The owner and president of a Colorado Springs, Colorado-based dietary supplement manufacturer was sentenced today to 21 months in prison and fined \$2,325,000 by U.S. District Judge Walker D. Miller. James R. Cameron was convicted for the manufacture of the supplement, known as Formula One, without disclosing on its label, as required by law, that its ingredients included pharmaceutical grade drugs. The Chemins Company, which was also fined \$2,325,000, had falsely claimed that Formula One was an "All Natural Nutritional Supplement."

Cameron, 69, also of Colorado Springs, and Chemins pleaded guilty on January 6 of this year to one count of conspiring to defraud the Food and Drug Administration (FDA). A federal grand jury in October 1999 returned a 14-count indictment against Cameron and the Chemins Company related to the manufacture of Formula One supplements.

"The Justice Department takes very seriously its obligation to ensure that products sold to the American people are properly labeled," said David W. Ogden, Acting Assistant Attorney General. "People have the right to rely on the labeling of products they consume, whether they are food products, dietary supplements or drugs."

In the plea agreement, Cameron admitted that Chemins manufactured Formula One between December 1992 until about June 1994, and falsely claimed it was an natural supplement when in fact it contained pharmaceutical grade drugs that were not listed on the product's label. Those drugs included ephedrine hydrochloride and caffeine anhydrous. Cameron also admitted the company used both drug substances in numerous other products, including one called Supercharge, without notifying consumers.

According to the plea agreement, the Chemins Company also actively conspired to hide from the FDA the fact that it possessed the undisclosed ingredients by, among other things, making a late night transfer of the ingredients to an employee's home during an FDA inspection and creating false manufacturing and inventory records that were shown to FDA

<http://www.usdoj.gov/opa/pr/2000/July/387civ.htm>

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inspectors. The company also denied using those ingredients after being confronted about it by the FDA.

Today's sentencing capped a four-year investigation into the distribution of misbranded dietary supplements by the FDA's Office of Criminal Investigation and the U.S. Justice Department's Office of Consumer Litigation and the U.S. Attorney's Office in Denver, Colorado.

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