



FDI Responds To Medifast's Independent Review Of Convicted Felon's Allegations

Through the utilization of the fraud technique of diversion, Medifast (NYSE:MED) misleads the public in public response to critic

For Immediate Release

SAN DIEGO, Calif./EWORLDWIRE/Jan. 8, 2010 --- In Medifast Inc.'s (NYSE:MED) latest 10-Q released on Nov. 9, 2009, the company makes the following assertion:

"An Independent Committee of the Board of Directors of Medifast was constituted to review the public allegations of a third-party 'Convicted Felon' on his website. The Independent Committee of the Board of Directors of Medifast Inc. recommended that the Company make a formal complaint to the Securities and Exchange Commission and the Attorney General of Maryland as it pertains to the convicted felon Minkow and his "for profit" company's false and misleading claims against Medifast. There are currently no pending matters of a material nature related to any government investigation of the case involving Mr. Minkow, his company, its affiliates or associates. Any actions related to any government investigation pertaining to this complaint have been deemed confidential at this time."

According to Fraud Discovery Institute (FDI) Co-Founder Barry Minkow, "There is only one problem with the above statement. Neither FDI nor myself made the detailed allegations in previous reports released on the official FDI Web site ('<http://www.frauddiscovery.net>').

"On the contrary, FDI sought the outside opinion of nationally recognized, multi-level marketing expert Robert Fitzpatrick who has testified for law enforcement on numerous occasions about these kinds of schemes. Mr. Fitzpatrick is not a short-seller and has never had a financial interest in Medifast's stock at any time nor would Mr. Fitzpatrick, for the nominal fee paid for his analysis of the Medifast business model, make up out of thin air the specific problems inherent with the company."

In fact, nowhere in the Medifast 10-Q are any of Mr. Fitzpatrick's calculations or evaluations refuted or addressed.

Minkow goes on to point out: "The company and its 'independent committee' dismissed, a-priori, the Fitzpatrick findings through smoke-and-mirrors and name-calling. Don't be confused with all these facts, figures and expert analysis because Barry Minkow is a short-seller. The problem is the person who made the findings is not a short-seller, and his conclusion about the Medifast 'doomed by design business model' still stands un-refuted."

To view the Fitzpatrick report, included in its entirety, visit MediFraud.net ('<http://www.medifraud.net>'). The Fraud Discovery Institute Inc. and its response is available at FraudDiscovery.net ('<http://www.frauddiscovery.net>').

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KEYWORDS: Fraud, Minkow, investigation, health, nutrition

SOURCE: Fraud Discovery Institute Inc.