



## Fraud Discovery Institute Reports China Government Issues Official Notice to Usana Health Sciences

For Immediate Release

SAN DIEGO/EWORLDWIRE/Jan. 7, 2008 --- The Fraud Discovery Institute (FDI) has just released an official, signature page sealed notice of interrogation from the Nanning Business Administration Department, Shuan Sheng Branch Economic Inspection which seeks to investigate the alleged multi level marketing activities of Usana Health Sciences Inc. (NASDAQ: USNA) through an alleged associate in that region. The interrogation demand also included the production of documents.

"It would appear that the interrogation notice is interested in both the individual and the company as a whole," said Barry Minkow of FDI. "This is not an isolated look at one bad apple."

Additionally, FDI has posted on its web site dedicated to Usana's activities in China (<http://www.cheatinginchina.com>) new, never before seen information about multiple Web sites of Usana associates - from Malaysia to Mexico - still boldly and actively recruiting Chinese nationals into their various down lines. "This evidence was secured despite a published media report from 2005 when Usana suffered negative publicity for alleged 'trafficking' in China," added Minkow, the co-founder of the Fraud Discovery Institute. "Instead of more oversight and stronger efforts to stop this behavior, we were able to find these sites without much effort long after our initial report was issued - over two months ago."

"We will continue to educate Chinese law enforcement on these abuses by providing simple point-and-click evidence," said Minkow.

FDI believes that Usana's apathy towards these frequent and numerous abuses are perhaps best seen in the example of Victor Yap, the associate whose Web site and efforts to recruit Chinese nationals for his Usana business through Hong Kong were exposed by FDI. In that report, FDI corroborated its findings by releasing both e-mails and the actual Web site utilized by Yap's company, Bay Inspire Enterprises, to recruit. The reaction to this abuse of Usana policy by Yap was initially not much at all, as evidenced by him receiving a commissions' direct deposit from Usana \$506.52 (Malayan Bank savings account) on November 2, 2007, and another on October 12, 2007 for \$415.08 (Malayan Bank savings account); in fact, Mr. Yap was not even officially terminated until November 27, 2007 - almost a month and a half after the evidence from the October report was first submitted.

The instances of Yap, the multiple new Web sites that demonstrate a strong presence in China, and the recent, official interest of Chinese law enforcement are in direct contradiction with previous, on the record statements of Usana senior management as evidenced by the following comments:

In the third quarter of 2005, Brad Richardson said in the earnings' call: "Additionally a lot of companies that have been targeting - a lot of the smaller companies who have been entering China through Hong Kong - are touting that, and USANA has chosen not to do that, choosing to enter into the Chinese market the more traditional manner."

. Usana President Dave Wentz stated in Q3 of 2007: "For us, China is a wait and see, with the laws the way they are, and currently they are throwing more laws and getting stricter. We see that as a very difficult environment to be successful [in]."

. Gil Fuller's famous statement in the second quarter of 2006 which proclaimed, "We don't have any associates in China."

"It would appear that the Business Administration Department Brach of Economic Inspection of China thinks otherwise," Minkow concluded.

See <http://www.cheatinginchina.com> for supporting documents. Third person writing style utilized as release generated from company retained, outside public relations firm. To learn more about the Fraud Discovery Institute, visit <http://www.frauddiscovery.net>.

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