

STATE OF MICHIGAN
DEPARTMENT OF ATTORNEY GENERAL



P.O. Box 30736
LANSING, MICHIGAN 48909

DANA NESSEL
ATTORNEY GENERAL

April 3, 2020

BioMed Health Solutions LLC
BioMed Wellness Center
Registered Agent: Mohamed Sohoubah
23815 Northwestern Hwy.
Southfield, MI 48075

Dear Mr. Mohamed Sohoubah

Re: Notice of Intended Action – BioMed Wellness Center

This letter gives you notice of intended action in accordance with MCL 445.905(2) and directs you to immediately cease and desist from engaging in the unlawful business practices described below.

As background, this Office is responsible for enforcement of the Michigan Consumer Protection Act, MCL 445.901 *et seq.* Under this Act, the Attorney General may bring injunctive actions to protect the interests of consumers.

The Attorney General's Office received a consumer complaint against your company in regard to price-gouging. The Attorney General has probable cause to believe that BioMed Wellness Center has violated the Michigan Consumer Protection Act through the exploitation of the public fear about Coronavirus.

Attached to this complaint was a copy of your Wellness BioMed Product Supply Order Form. Following receipt of this complaint and order form, one of our investigators then visited BioMed Wellness Center's website, at <https://wellnessbiomed.com/>. It is obvious that BioMed Wellness doubled or tripled prices on cleaning products, gloves and hand sanitizer in comparison to other companies selling the same or similar product. Some of the prices listed on your website were even higher than the prices indicated on the order form.

Some examples of your inflated prices are as follows:

- 2 pack of 16oz Isopropyl Alcohol bottles- \$9.99. Our investigator found the exact same product from a different vendor for \$2.06 for one bottle.

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- 40 count gloves- \$5.99, 100 count gloves- \$19.99, 250 count gloves- \$49.99. Similar gloves from different vendors are listed at \$6.50 for a 100-count box of gloves and \$24.00 for a 250-count box of gloves.
- Two-count pack of hydrogen peroxide- \$11.99. A different vendor is selling one bottle of the same product at \$1.29.
- Two pack Clorox disinfecting wipes, 35 count for \$12.99. A different vendor is selling this product for \$4.80.

There are additional products that seemed to be listed at a grossly inflated price on your website that are not included in the list above. On March 23, 2020 the investigator gathered screenshots of all these products listed on your website. Additionally, your website has set a minimum order of \$100 or more for Coronavirus-specific products, indicating that you are using this pandemic to enhance the fear of the public in an effort to line your pockets.

The investigator then contacted Mr. Sohoubah, the registered agent for BioMed Wellness, and informed him of the consumer complaint the Attorney General's Office had received. Mr. Sohoubah told the investigator that the items would be taken off the website immediately. Currently, there is still a two pack of 80-count Lysol wipes for sale on the website, listed at \$29.99. This product is currently being sold for around \$5.00 through different vendors.

These facts implicate the following unfair trade practices, as identified in Michigan's Consumer Protection Act:

- (z) Charging the consumer a price that is grossly in excess of the price at which similar property or services are sold.
- (aa) Causing coercion and duress as the result of the time and nature of a sales presentation.

[MCL 445.903(1).]

This Office is taking steps to either file a civil lawsuit pursuant to MCL 445.905 or commence a formal investigation under MCL 445.907. Your response to this Notice is expected within ten days and will help us determine which of these paths will be necessary. We are also opened to exploring an assurance of voluntary compliance with you, as anticipated by the MCPA.

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We request your written response to this letter within ten days. To facilitate we will need all in-store and online sales data related to gloves and disinfectants from March 1, 2020 through the present—this includes information both about the consumers making the purchases, and the prices they were charged.

Sincerely,

/s/Ashlee N. Lynn

Ashlee N. Lynn
Assistant Attorney General
Corporate Oversight Division