

**QUARTERLY FEDERAL COURT  
LITIGATION STATUS REPORT**

Office of the General Counsel  
Bureau of Competition  
Bureau of Consumer Protection  
Regional Offices

June 30, 2004

No. 80

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## SUMMARY OF CASES

	D. Ct.	Ct. App.*	S. Ct.	Total
PETITIONS FOR REVIEW		2		2
INJUNCTION AND CONSUMER REDRESS CASES	86	11		97
CIVIL PENALTY AND ENFORCEMENT CASES	16	1		17
SUBPOENA AND CID ENFORCEMENTS				0
SUITS TO ENJOIN FTC ACTION AND OTHER DEFENSIVE LITIGATION	4	1	2	7
AMICUS CURIAE BRIEFS	2	7	2	11
TOTALS	108	22	4	134

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\* Includes all cases in which appellate proceedings have taken place during the reporting period or are pending; these cases are not counted in the District Court column, even if such proceedings are going on simultaneously.

**PETITIONS FOR REVIEW**

**A) Orders to Cease and Desist**

***POLYGRAM HOLDING, INC., v. FTC***, No. 03-1293 (D.C. Cir.)

Parties: PolyGram Holding, Inc.  
Decca Music Group Limited  
UMG Recordings, Inc.  
Universal Music & Video Distribution Corp.

Assigned Attorneys: John F. Daly (OGC)  
Michele Arington

Nature of Action: Petition for review of Commission Order to cease and desist participation in an agreement with competitors to fix prices or restrict advertising of audio or video products.

Status: Petition filed 9/22/03.  
PolyGram's proof brief filed 2/2/04; Commission's proof brief filed 3/8/04; PolyGram's proof reply brief filed 3/25/04; final briefs filed 4/8/04.  
Oral argument set for 9/16/04.

***SCHERING-PLOUGH CORPORATION v. FTC***, No. 04-10688-AA (11th Cir.)

Parties: Schering-Plough Corporation  
Upsher Smith Laboratories, Inc.

Assigned Attorneys: John D. Graubert (OGC)  
John F. Daly  
Imad D. Abyad

Nature of Action: Petitions for review of Commission Order challenging settlement of patent litigation as anticompetitive.

Status: Petitions filed 2/13/04.  
Appellants' brief filed 6/2/04.  
Brief of amicus curiae Generic Pharmaceutical Association in support of petitioners filed 6/18/04.  
Commission's brief to be filed 7/27/04.

**B) Rulemakings**  
(None pending)

**INJUNCTION AND CONSUMER REDRESS CASES**

**(A) Preliminary Injunctions (Mergers/Acquisitions)**

*FTC v. ARCH COAL, INC.*, No. 1:04CV534 (JDB) (D.D.C.)

Parties: Arch Coal, Inc.  
New Vulcan Coal Holdings, LLC  
Triton Coal Company, LLC

Assigned Attorneys: Rhett Krulla (BC)  
Michael H. Knight  
Morris A. Bloom  
Melvin H. Orlans  
Michele Arington (OGC)  
John A. Singer

Nature of Action: Action for a preliminary injunction challenging a proposed acquisition and thereby maintaining the status quo during the pendency of an administrative proceeding.

Status: Complaint for preliminary injunction pursuant to FTC Act §13(b) filed 4/1/04.  
Commission's motion for a preliminary injunction filed 4/8/04.  
Defendants' opposition filed 5/24/04.  
Preliminary injunction hearing held 6/21-6/25/04 and 6/28-7/1/04.

**(B) Preliminary Injunctions (Other)**  
(None pending)

(C) Permanent Injunctions/Consumer Redress\*

*FTC v.* \_\_\_\_\_, No. CV 04 2086 (E.D.N.Y.)

Party: \_\_\_\_\_, a minor

Assigned Attorneys: Eric A. Wenger (BCP/MP)  
Patricia Poss

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Gramm-Leach-Bliley Act in connection with the solicitation of financial information from consumers using spam e-mail messages that purport to come from other sources.

Status: Complaint for permanent injunction and other equitable relief filed 5/18/04.  
Stipulated final judgment and order for permanent injunction and other equitable relief entered 5/19/04.

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\* Unless otherwise noted, cases involve suits for permanent injunction and other equitable relief. Post-judgment proceedings in district court are not generally reported.

***FTC v. 1025798 ONTARIO, INC.***, No. 03-CV-0910 (W.D.N.Y.)

Parties: 1025798 Ontario, Inc., d/b/a The Fulfillment Solutions Advantage, Inc.,  
The FSA Group, International Access, Beauty Visions Worldwide,  
Slimshop, Hydro-Gel Slim Patch, and Slenderstrip  
Robert Van Velzen  
Nancy Sprague

Assigned Attorneys: Dean C. Forbes (BCP/AP)  
David Koehler  
Karen Muoio

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of  
purported weight-loss products.

Status: Complaint for permanent injunction and other equitable relief filed  
12/3/03.  
Ex parte TRO with asset freeze entered 12/3/03; extension until the  
preliminary injunction hearing entered 12/12/03.  
Commission's first amended complaint, adding defendants Kingstown  
Associates, Ltd., BVW Associates, Inc., Gary Richard Bush, David  
James Varley, and Laurence Anthony White, and dropping  
defendant Nancy Sprague without prejudice, filed 5/24/04.  
Preliminary injunction hearing scheduled for 7/21/04.

***FTC v. 1492828 ONTARIO INC.***, No. 02C 7456 (N.D. Ill.)

Parties: 1492828 Ontario Inc., d/b/a First Capital Consumers Group, US Guardian United Consumers, Trans America United Benefits Group, Transglobal National Consumers Group, and First Guardian National Benefits  
1533649 Ontario Inc., d/b/a Inter Office Marketing Services, Capital Communications, US Guardian United Consumers, Trans America United Benefits Group, Transglobal National Consumers Group, and First Guardian National Benefits  
David Dalglish  
Leslie Anderson  
Lloyd Prudenza  
Mark Lennox  
Paul Schroeder, d/b/a Paul Schroeder & Associates, PS&A, and Your Benefitz

Assigned Attorneys: Karen D. Dodge (MWR)  
John C. Hallerud

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of false pre-approved credit cards.

Status: Complaint filed 10/17/02.  
TRO with asset freeze entered 10/17/02.  
Order for preliminary injunction entered 10/28/02.  
Amended complaint for permanent injunction and other equitable relief adding defendants 1533649 Ontario Inc., d/b/a Inter Office Marketing Services, Capital Communications, US Guardian United Consumers, Trans America United Benefits Group, Transglobal National Consumers Group, and First Guardian National Benefits; and Paul Schroeder, d/b/a Paul Schroeder & Associates, PS&A, and Your Benefitz filed 12/30/02.  
Default against 1492828 Ontario Inc., 1533649 Ontario Inc., David Dalglish, Lloyd Prudenza, and Mark Lennox entered 3/4/03.  
Stipulated order for preliminary injunction with asset freeze and other relief against Paul Schroeder entered 3/14/03.  
Order for preliminary injunction with asset freeze and other relief against 1533649 Ontario, Inc. entered 3/27/03.  
Order for permanent injunction and final judgment against defendants 1492828 Ontario Inc., 1533649 Ontario Inc., David Dalglish, Lloyd Prudenza, and Mark Lennox entered 12/2/03.  
Stipulated order for permanent injunction and final judgment against defendant Leslie Anderson, including \$250,000 in consumer



redress, entered 2/24/04.

***FTC v. 627867 B.C. LTD.***, No. C03-3166 (W.D. Wash.)

Parties: 627867 B. C. Ltd., d/b/a Newport Group  
633142 B. C. Ltd., d/b/a Newport Group  
638541 B. C. Ltd., d/b/a Newport Group  
654679 B. C. Ltd., d/b/a Newport Group  
651482 B. C. Ltd., d/b/a West Star  
Steven Albert Ironside  
Bruce George Alexander Ironside

Assigned Attorney: Mary T. Benfield (NWR)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of Australian lottery participation or winnings.

Status: Complaint for injunctive and other equitable relief filed 10/21/03.  
Ex parte TRO entered 10/22/03.  
Preliminary injunction entered 10/31/03.  
Default entered 12/22/03.  
Stipulation and order vacating default entered 2/24/04.

***FTC v. 9094-5114 QUEBEC, INC.***, No. 03C 7486 (N.D. Ill.)

Parties: 9094-5114 Quebec, Inc., d/b/a Kinito, Inc., Kinito Benefits Services, KBS,  
and First Approval Benefits  
Nikolaos Rothos  
Steve Vrontakis  
Ana Vrontakis  
Roberto Mendez

Assigned Attorney: John C. Hallerud (MWR)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of advance fee credit cards.

Status: Complaint for permanent injunction and other equitable relief filed  
10/23/03.  
TRO with asset freeze entered 10/23/03.

***FTC v. ADVANCED PATCH TECHNOLOGIES, INC.***, No. 1:04-CV-0670 (N.D. Ga.)

Parties: Advanced Patch Technologies, Inc.  
Salmon Btesh  
Buckhead Marketing and Distribution, LLC  
PAP Systems, LLC  
Ralf Leszinski  
Nancy Duitch  
Jesse Starkman  
Bernard Silverfarb  
Buckhead Marketing Group, LLC

Assigned Attorneys: Laureen Kapin (BCP/ENF)  
Laura Koss  
Yael Weinman  
James T. Rohrer (SER)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of a transdermal patch.

Status: Complaint for permanent injunction and other equitable relief filed 3/9/04.  
Stipulated final judgment and order for permanent injunction and monetary settlement as to defendants Advanced Patch Technologies, Inc., Salmon Btesh, Jesse Starkman, and relief defendant Bernard Silverfab, including \$175,000 in consumer redress, entered 3/18/04.  
Stipulated final judgment and order for permanent injunction and monetary settlement as to defendants Buckhead Marketing and Distribution, LLC, PAP Systems, LLC, Ralf Leszinski, Nancy Duitch and relief defendant Buckhead Marketing Group, LLC, including \$1 million in consumer redress, entered 3/18/04.

***FTC v. ALTERNATIVE MEDICAL TECHNOLOGIES, INC.***, No. 04-20985 (S.D. Fla.)

Parties: Alternative Medical Technologies, Inc.  
Jose Fernandez

Assigned Attorneys: Angela T. Floyd (BCP/ENF)  
Hampton Newsome

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of a weight loss and a smoking cessation product.

Status: Complaint for permanent injunctive and other equitable relief filed 4/27/04.  
Stipulated final order for permanent injunctive and other equitable relief entered 4/29/04.

***FTC v. ALYON TECHNOLOGIES, INC.***, No. 1:03-CV-1297 (N.D. Ga.)

Parties: Alyon Technologies, Inc.  
TelCollect Inc.  
Stephane Touboul

Assigned Attorneys: David Torok (BCP/MP)  
Jonathan Kraden

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Pay-Per-Call-Rule in connection with the operation of a billing system to service vendors.

Status: Complaint filed 5/13/03.  
Commission's motion for a preliminary injunction filed 5/13/03;  
Defendants' response filed 6/3/03; Commission's reply filed 6/6/03.  
Preliminary injunction hearing held 6/18/03.  
Order denying as moot the Commission's motion for a preliminary injunction entered 7/10/03.  
Defendant TelCollect, Inc.'s motion to dismiss filed 7/18/03;  
Commission's response filed 7/31/03; reply filed 8/13/03; order denying motion entered 10/17/03.  
Commission's motion for reconsideration of the Court's denial of the motion for a preliminary injunction filed 7/25/03; defendants' opposition filed 8/11/03; reply filed 8/28/03; order granting motion in part and denying in part entered 10/17/03.

***FTC v. AMBUS REGISTRY, INC.***, No. CV03-1294RBL (W.D. Wash.)

Parties: Ambus Registry, Inc.  
Sukhraj Singh Chana  
Garther Cheung

Assigned Attorneys: Kathryn C. Decker (NWR)  
Eleanor Durham

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of a CD-Rom business directory and listings in the directory.

Status: Complaint for injunction and other equitable relief filed 6/16/03.  
TRO entered 6/16/03.  
Stipulated preliminary injunction entered 7/14/03.  
Amended stipulated final judgment and order for permanent injunction entered 5/11/04.

***FTC v. AMERICAN DREAM ENTERPRISES, LLC***, No. 04-20904 (S.D. Fla.)

Parties: American Dream Enterprises, LLC  
Andres Fernandez Salvador

Assigned Attorney: Edwin Rodriguez (BCP/ENF)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of dietary supplements.

Status: Complaint for permanent injunctive and other equitable relief filed 4/15/04.

***FTC v. AMERIDEBT, INC.***, No. PJM 03-3317 (D. Md.)

Parties: AmeriDebt, Inc.  
DebtWorks, Inc.  
Andris Pukke  
Pamela Pukke, a/k/a Pamela Shuster, relief defendant

Assigned Attorneys: Lucy E. Morris (BCP/FP)  
Allison I. Brown  
Maiysha R. Branch  
James Silver

Alleged Conduct: Deceptive practices in violation of Section 5 and the Gramm-Leach-Bliley Act in connection with the offering of credit counseling services.

Status: Complaint for injunctive and other equitable relief filed 11/19/03.  
Defendants' motions to dismiss filed 1/14/04; Commission's memoranda in opposition filed 2/6/04; Defendants' reply briefs filed 2/27/04.  
Hearings on motions to dismiss held 5/3/04.  
Defendant AmeriDebt, Inc.'s notice of Chapter 11 bankruptcy case and automatic stay filed 6/7/04; Commission's response filed 6/10/04; defendant's reply filed 6/25/04.

***FTC v. AMERITEL PAYPHONE DISTRIBUTORS, INC.***, No. 00-0514-CIV-  
GOLD/SIMONTON (S.D. Fla.)

Parties: Ameritel Payphone Distributors, Inc.  
Roy B. Goodman  
Public Telephone Corporation  
Nathan Matalon  
Kimberly Matalon  
Lenora Kaus

Assigned Attorney: Douglas Wolfe (BCP/MP)

Alleged Conduct: Violations of Section 5 and the Franchise Rule in connection with the marketing and sale of payphone business adventures.

Status: Complaint filed 2/7/00.  
Stipulated preliminary injunction entered 2/9/00.  
Stipulated final judgment entered 2/1/01.  
Commission's motion to hold defendants in contempt for violations of the permanent injunction and ex parte motion for a TRO filed 8/27/03.  
Evidentiary hearing held 9/10/03.  
Order holding respondents in civil contempt entered 10/15/03.  
Hearing regarding scope of the contempt remedy held 3/5/04.  
Order imposing final civil contempt remedies, requiring defendants to disgorge \$923,121, entered 4/9/04.  
Notice of suggestion of death of defendant Roy B. Goodman filed 4/14/04.  
Commission's motion for order to show cause why Nathan Matalon should not be held in contempt for failure to comply with disgorgement order filed 6/25/04.

***FTC v. ASSAIL, INC.***, Nos. 03-50795, 03-51281, 03-51461, 03-51462; 04-50109 (5th Cir.);  
No. W03-CA-007 (W.D. Tex.)

Parties: Assail, Inc.  
Kyle Kimoto  
Cliff Dunn  
Mike Hendricksen  
Infinium, Inc.  
Market-Rep.com, Inc., d/b/a/ Market-Reps.com, Inc.  
Brian Schofield  
Specialty Outsourcing Solutions, Ltd.  
Jay Lankford  
Lee Murphy  
Summit Communications International, Inc., d/b/a Advantage Capital  
Benefits  
Matthew Ho  
Capital First Benefits, Inc.  
Ben Lee  
Premier One Benefits, Inc.  
Johnson Salanga  
Lawrence Silverman  
Lamar Holding, Inc. (relief defendant)

Assigned Attorneys: Robert S. Kaye (BCP/MP)  
LaShawn Johnson  
John A. Singer (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule and the Gramm-Leach-Bliley Act in connection with an advance fee credit card scam.

Status: Complaint for injunctive and other equitable relief filed 1/9/03.  
Ex parte TRO with asset freeze entered 1/9/03.  
Stipulated preliminary injunction order as to defendants Brian Schofield, Infinium, Inc., and Market-Rep.com, Inc. entered 2/4/03.  
Stipulated preliminary injunction order as to defendants Specialty Outsourcing Solutions, Ltd., Jay Lankford, and Lee Murphy entered 2/4/03.  
Preliminary injunction order as to defendants Assail, Inc., Kyle Kimoto, Cliff Dunn, Mike Hendricksen, Summit Communications International, Inc., Matthew Ho, Capital First Benefits, Inc., Ben Lee, Premier One Benefits, Inc., and Johnson Salanga entered 2/4/03.  
Motion by Assail, Inc. and Kyle Kimoto to dissolve preliminary injunction filed 3/18/03; Commission's response in opposition filed 3/28/03;

order denying motion entered 4/4/03.

Motion to dissolve preliminary injunction as to Par 3, Inc. filed 4/17/03; Commission's opposition filed 5/7/03; order denying motion entered 6/12/03.

Notice of appeal by Par 3, Inc., requesting modification of preliminary injunction to exclude it from asset freeze filed 7/9/03; docketed as No. 03-50795 (5th Cir.) 7/18/03; briefing completed 12/1/03; oral argument held 4/7/04; appeal dismissed 5/10/04.

Stipulated permanent injunction and monetary judgment as to defendants Kyle Kimoto and Assail, Inc. entered 9/22/03.

Stipulated permanent injunction and monetary judgment as to defendants Brian Schofield, Infinium, Inc. and Market-Rep.Com, Inc., including payment of \$200,000 for consumer redress, entered 9/22/03.

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Stipulated permanent injunction and monetary judgment as to defendants Specialty Outsourcing Solutions, Ltd., Jay Lankford, and H. Lee Murphy, including payment of \$512,000 for consumer redress entered 9/22/03.

Notice of Appeal by Valdine Management Co. and Steven Henriksen as to civil contempt motion filed 10/24/03; docketed as No. 03-51281 11/13/03; order granting motion to withdraw appeal entered 12/31/03.

Notice of appeal by Dean Kajioka as to order denying attorney fee petition and requiring payment of \$40,000 to receiver filed 12/15/03; docketed as No. 03-51461 12/31/03; appellant's brief due 7/2/04.

Notice of appeal by Robert Draskovich as to order denying attorney fee petition and requiring payment of \$210,000 to receiver filed 12/15/03; docketed as No. 03-51462 12/31/03; appellant's brief due 7/15/04.

Order incarcerating James Fales for civil contempt of preliminary injunction entered by district court 1/6/04.

Notice of appeal by James Fales filed 1/15/04; docketed as No. 04-50109 1/30/04; appellant's opening brief filed 6/24/04; appellant Fales' motion for a stay filed 6/24/04; stay denied 7/15/04.

Second amended complaint (No. W03-CA-007 ) for injunctive and other relief adding defendant Lawrence Silverman and relief defendant Lamar Holding, Inc. filed 3/4/04; stipulated preliminary injunction entered 4/7/04.

Stipulation resolving order to show cause why Richard D. Frizler, Sr., Richard D. Fritzler, II and Nevada Corporate Services, Inc. should not be held in contempt approved 6/21/04.

Stipulated order for permanent injunction and monetary judgment for defendant Clifford Dunn entered 6/28/04.

Order finding James Fales in contempt and requiring him to pay \$2 million to the Receiver entered 6/28/04.



***FTC v. BAY AREA BUSINESS COUNCIL, INC.***, No. 04-2173 (7th Cir.); No. 02C-5762 (N.D. Ill.)

Parties: Bay Area Business Council, Inc.  
Bay Area Business Council Customer Service Corp.  
American Leisure Card Corp.  
Bay Memberships, Inc.  
Sr. Marketing Consultants, Inc.  
Special Technologies, Inc.  
Bay Vacations, Inc  
Peter J. Porcelli, II  
Christopher Tomasulo  
Bonnie A. Harris

Assigned Attorneys: David A. O'Toole (MWR)  
Guy G. Ward  
Leslie R. Melman (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of advance fee credit cards.

Status: Complaint filed 8/13/02.  
TRO entered 8/14/02.  
Orders extending TRO entered 8/21/02; 8/26/02; 9/11/02.  
Stipulated preliminary injunction entered 10/2/02.  
Amended complaint adding defendants Bay Memberships, Inc., Sr. Marketing Consultants, Inc., Special Technologies, Inc., and Bay Vacations, Inc. filed 10/22/02.  
Commission's motion to add Bay Vacations, Bay Membership, Sr. Marketing Consultants and Special Technologies to the receivership filed 10/26/02; defendants' response filed 2/27/03; Commission's reply filed 3/13/03.  
Defendants Bay Membership, Sr. Marketing Consultants and Special Technologies' ch. 11 bankruptcy petitions, in Middle District of Florida, filed 11/1/02; Commission's motions to dismiss bankruptcy petitions filed 1/31/03.  
Defendant Bay Vacations' motion to dismiss filed 11/27/02; Commission's response filed 1/10/03; defendants' reply filed 2/27/03; denied 3/13/03.  
Defendants Bay Area Business Council, Bay Area Business Council Customer Service, American Leisure Card, Porcelli and Harris' answer and counterclaim filed 11/27/02.  
Defendants Bay Memberships, Inc., Sr. Marketing Consultants and Special Technologies' answers to amended complaint filed 1/16/03.

Commission's motion to dismiss counterclaim and strike affirmative defenses filed 1/27/03; defendants' response filed 2/27/03; Commission's reply filed 3/13/03.

Order granting Commission's motion to dismiss counterclaim and strike affirmative defenses entered 4/30/03.

Commission's motion for summary judgment filed 12/12/03; defendants' response filed 2/9/04; Commission's reply filed 2/23/04.

Order granting Commission's motion for summary judgment entered 4/14/04.

Order for permanent injunction with monetary judgment and other relief, including \$12,563,962.34 in consumer redress, entered 4/14/04.

Notice of appeal filed 5/4/04.

***FTC v. BRASWELL***, No. CV-03-3700 DT (PJWx) (C.D. Cal.)

Parties: A. Glenn Braswell  
JOL Management, Co.  
G.B. Data Systems, Inc.  
Gero Vita International, Inc.  
Therapeutics, Inc.  
Ron Tepper  
Hasley Holding LLC  
Health Quest Publications, Inc.  
G.B. Data Systems, Inc.  
Dr. Ronald Lawrence  
Dr. Hans Kugler  
Chase Revel

Assigned Attorneys: Rosemary Rosso (BCP/AP)  
Mamie Kresses  
Kenneth H. Abbe (WR-LA)

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 of the FTC Act in connection with the sale of dietary supplements and other health-related products.

Status: Complaint for permanent injunction and other equitable relief filed 5/27/03.  
Defendant Ron Tepper's motion to dismiss complaint for lack of jurisdiction filed 7/14/03; Commission's opposition filed 8/29/03; reply filed 9/8/03; defendant Braswell's motion to join Tepper's motion filed 9/11/03.  
Defendant A. Glenn Braswell's motion to stay proceedings pending resolution of criminal charges filed 7/14/03; defendant Tepper's motion to join Braswell's motion filed 8/4/03; Commission's opposition filed 8/29/03; reply filed 9/8/03.  
Order denying motion to stay proceedings entered 9/15/03.  
Order denying motion to dismiss complaint entered 9/15/03.  
Commission's motion to file first amended complaint for permanent injunction and order equitable relief, adding defendants Hasley Holding LLC, Health Quest Publications, Inc., G.B. Data Systems, Inc., Dr. Ronald Lawrence, Dr. Hans Kugler, and Chase Revel, filed 3/31/04; defendants' opposition filed 4/13/04; Commission's reply in support filed 4/19/04; order granting Commission's motion to file first amended complaint entered 4/26/04.  
Defendants Dr. Ronald Lawrence and Dr. Hans Kugler's motion to dismiss Count I-VI of Commission's first amended complaint filed 6/14/04; Commission's opposition filed 6/28/04.

***FTC v. CAPITAL CHOICE CONSUMER CREDIT, INC.***, No. 04-12776 (11th Cir.); No. 02-21050-CIV-Ungaro-Benages (S.D. Fla.)

Parties: Capital Choice Consumer Credit, Inc., d/b/a National Credit Shopper and NCS  
Millennium Communications and Fulfillment, Inc., d/b/a National Research Group  
E-Credit Solutions, Inc.  
Zentel Enterprises, Inc.  
Ecommex Corporation  
Hartford Auto Club, Inc.  
Ricardo E. Martinez  
Scott A. Burley  
Johnnie Smith  
Willfredo Lugo

Assigned Attorneys: Brinley H. Williams (ECR)  
Michael Milgrom  
Brenda W. Doubrava  
Michael B. Rose  
Leslie R. Melman (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the marketing and sale of advance-fee credit cards.

Status: Complaint for injunctive and other equitable relief filed 4/8/02.  
TRO entered 4/9/02; served 4/22/02.  
Amended complaint for injunctive and other equitable relief in order to add defendant Ecommex, Corp. filed 4/22/02.  
Stipulated preliminary injunction as to defendants Scott Burley and E-Credit Solutions entered 4/22/02.  
Preliminary injunction hearing held for remaining defendants on 4/19/02 and 4/22/02.  
Consent agreement for preliminary injunctive relief as to Exommex Corp., Millennium Communications, Capital Choice Consumer Credit, Inc., and Ricardo Martinez entered 4/23/02.  
Second amended complaint adding Johnnie Smith, Willfredo Lugo, and Zentel Enterprises as additional defendants filed 8/8/02.  
Motion for partial summary judgment against defendants Capital Choice Consumer Credit, Millennium Communications and Fulfillment, and Ecommex Corp. filed 1/24/03.  
Response in opposition to motion for partial summary judgment filed 2/20/03.  
Reply in support of motion for partial summary judgment filed 3/3/03.

Stipulated final judgment and order as to defendants E-Credit Solutions, Inc., Scott A. Burley, and Zentel Enterprises, Inc., requiring payment of \$601,031.58 for consumer redress entered 5/21/03.

Order granting in part and denying in part Commission's motion for partial summary judgment entered 6/2/03.

Commission's motion to file third amended complaint for injunctive and other equitable relief against remaining defendants, adding charges of violating the Electronic Fund Transfer Act and Regulation E in connection with their upsales filed 6/4/03; denied 6/6/03.

Trial held 6/30/03-7/10/03.

Final judgment against defendants, requiring \$36.7 million in consumer redress, entered 2/18/04.

Defendant Johnnie Smith's motion for rehearing and/or amendment of final judgment order filed 3/3/04; Commission's response filed 3/22/04.

Defendants Capital Choice Consumer Credit, Inc., Millennium Communications and Fulfillment, Inc., Ricardo E. Martinez, Ecommex Corporation, and Hartford Auto Club, Inc.'s motion for rehearing and/or amendment of final judgment order filed 3/3/04; Commission's response filed 3/18/04.

Defendant Wilfredo Lugo's motion for rehearing and/or amendment of final judgment order filed 3/4/04; Commission's response filed 3/19/04; reply filed 3/29/04.

Order denying defendants' motion for rehearing and stay entered 4/16/04.

Defendants' notices of appeal filed 5/28/04.

***FTC v. CAPITAL CITY MORTGAGE CORP.***, Civ. No. 98-237 (D.D.C.)

Parties: Capital City Mortgage Corp.  
Eric J. Sanne  
Thomas K. Nash  
The Estate of Thomas K. Nash  
The Nash Family Trust  
The Nash Marital Trust  
Katherine R. Nash Trust  
Ann E. Nash Trust  
Carolyn D. Nash Trust  
Alan W. Nash (Trustee of the above daughter trusts and the Nash Family Trust)  
Donald S. Nash

Assigned Attorneys: Bradley H. Blower (BCP/FP)  
Sandra M. Wilmore  
Alain H. Sheer  
Amy Quester

Alleged Conduct: Violations of Section 5, the Truth in Lending Act, the Fair Debt Collection Practices Act, and the Equal Credit Opportunity Act by a “subprime” mortgage lender.

Status: Complaint filed 1/28/98.  
Defendants’ motion for summary judgment denied 7/13/98.  
Defendants’ motion for protective order limiting discovery denied 8/28/98.  
Amended complaint adding defendant Eric J. Sanne filed 3/11/99.  
Separate motions for partial summary judgment filed by the Commission and the defendants, 1/21/00.  
Commission’s motion for partial summary judgment granted in part, denied in part, 10/10/00.  
Trial originally scheduled for 4/6/02 postponed after the death of defendant Thomas K. Nash.  
Order substituting the Estate of Thomas K. Nash for Thomas K. Nash as a defendant entered 4/16/02.  
Motion to file a second amended complaint to add relief defendants necessitated by the death of defendant Nash filed 4/17/02.  
Temporary asset freeze against Capital City Mortgage Corp. issued 4/26/02.  
Order granting motion to file amended complaint adding relief defendants Nash Family Trust, Nash Marital Trust, Katherine R. Nash Trust, Ann E. Nash Trust, Carolyn D. Nash Trust, and Donald S. Nash entered 3/18/03; amended complaint filed 3/19/03.  
Dismissal of complaint as to defendants Katherine R. Nash Trust, Ann E.

Nash Trust, Carolyn D. Nash Trust, and Donald S. Nash entered 5/12/03.  
Consent decree and order for permanent injunction and other equitable relief as to defendant Eric J. Sanne entered 5/6/04.  
Trial scheduled for 6/6/05.

***FTC v. CASTLE PUBLISHING***, No. A03-CA-905SS (W.D. Tex.)

Parties: Castle Publishing  
Treigh Dustin Hubbard

Assigned Attorneys: Randall H. Brook (NWR)  
Eleanor Durham

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of envelope stuffing employment opportunities.

Status: Complaint for injunctive and other equitable relief filed 12/9/03.  
Ex parte TRO with asset freeze entered 12/9/03.  
Stipulated preliminary injunction entered 1/12/04.  
Stipulated final order for permanent injunction, restitution, and other equitable relief entered 3/18/04.

***FTC v. CHASE FINANCIAL FUNDING, INC.***, No. SACV 04-549 GLT (ANx) (C.D. Cal.)

Parties: Chase Financial Funding, Inc.  
James F. Berry  
Suzanne Admire  
Jeremy Alexander

Assigned Attorneys: Amanda Quester (BCP/FP)  
T. Kevin Marr  
Barbara Chun (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5, the Truth in Lending Act and Regulation Z in connection with mortgage loans.

Status: Complaint for injunctive and other equitable relief filed 5/12/04.  
Stipulated preliminary injunction entered 5/28/04.

***FTC v. CHECK INVESTORS, INC.***, No. 03-2115 (JWB) (D.N.J.)

Parties: Check Investors, Inc.,  
Check Enforcement, Inc.,  
Jaredco, Inc.,  
Barry S. Sussman  
Elisabeth M. Sussman, a/k/a Elisabeth Rabin  
Charles T. Hutchins

Assigned Attorneys: Gregory A. Ashe (BCP/FP)  
Seena D. Gressin  
Karen S. Hobbs

Alleged Conduct: Deceptive practices in violation of the Fair Debt Collection Practices Act and Section 5 in connection with the collection of payments for checks returned by financial institutions for non-sufficient funds.

Status: Complaint for injunctive and other equitable relief filed 5/12/03.  
TRO with asset freeze, expedited discovery, and other equitable relief entered 5/19/03.  
Preliminary injunction hearing held 7/9/03.  
Preliminary injunction entered 8/14/03.  
Commission's motion to dismiss counterclaim filed 1/20/04.  
Defendants' motion to stay filed 2/3/04.  
Order granting Commission's motion to dismiss counterclaim and denying defendants' motion to stay entered 3/8/04.



***FTC v. THE COLLEGE ADVANTAGE, INC.***, No. 4:03CV179 (E.D. Tex.)

Parties: The College Advantage, Inc., d/b/a College Funding Center  
Alan E. Baron  
C. Funding Group, LLC, d/b/a College Funding Group  
Edward F. Jacobs  
Donna S. Baron  
Claudia L. Jacobs

Assigned Attorneys: Gary D. Kennedy (SWR)  
Judith A. Shepherd

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the offer of a financial aid program, falsely promising to procure 100% of the funding necessary for college for a fee.

Status: Complaint for permanent injunction and other equitable relief filed 5/7/03.  
Ex Parte TRO with asset freeze entered 5/7/03.  
Preliminary injunction hearing held 5/16/03.  
Preliminary injunction with asset freeze entered 5/23/03.  
Amended complaint adding relief defendants Donna S. Baron and Claudia L. Jacobs filed 6/25/03.  
Order finding defendants Alan Baron and Edward Jacobs to be in contempt for violating the preliminary injunction order entered 7/21/03.  
Stipulated order for preliminary injunction with asset freeze as to defendants Donna Baron and Claudia Jacobs entered 8/8/03.  
Trial postponed.

***FTC v. COMMUNITY AFFAIRS, INC.***, No. 03-60852 CIV-MARRA (S.D. Fla.)

Parties: Community Affairs, Inc., a/k/a Powertel and Mountaineer Teleservices  
Christopher Heins  
Luis Ferreira

Assigned Attorneys: Stephen Gurwitz (BCP/MP)  
Markus Heyder

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with  
telemarketing solicitations on behalf of various non-profit organizations.

Status: Complaint for injunction and other equitable relief filed 5/7/03.  
Defendants' motion to dismiss the complaint filed 6/13/03; Commission's  
opposition filed 6/26/03; Defendants' reply filed 7/3/03; Order  
denying defendants' motion entered 3/31/04.

***FTC v. COMTEL COMMUNICATIONS GLOBAL NETWORK, INC.***, No. 96-CV-3134  
HIGHSMITH/GARBER (S.D. Fla.)

Parties: Comtel Communications Global Network, Inc.  
Marc Zimmerman  
Victoria Zimmerman  
Eric Zimmerman  
Philip Berger  
International Toy Distributors, Inc.  
David Silbergleit  
Michael Greenberg

Assigned Attorney: Douglas Wolfe (BCP/MP)

Alleged Conduct: Deceptive practices and Franchise Rule violations in the sale of payphone  
business opportunities.

Status: Complaint filed 11/4/96.  
Ex parte TRO with asset freeze entered 11/5/96.  
Stipulated preliminary injunction entered 1/7/97 and 1/10/97.  
Amended complaint filed and TRO against 3 additional defendants entered  
3/14/97.  
Motion for civil contempt filed 8/97; contempt order entered as to 3  
defendants, 12/19/97.  
Stipulated final judgment filed 9/13/00; entered 9/19/00.  
Commission's motion for contempt against Eric Zimmerman for  
violations of a permanent injunction and an ex parte TRO for  
violations of the ban against his participation in any manner in the  
offering or sale of business opportunities filed 9/10/03.  
Ex parte TRO entered 9/12/03.  
Order postponing show cause hearing due to Eric Zimmerman's  
incarceration for probation violation entered 10/20/03.

***FTC v. CONSUMER ALLIANCE, INC.***, No. 02C-2429 (N.D. Ill.)

Parties: Consumer Alliance, Inc., a/k/a 1421914 Ontario Inc.  
Biosource Financial, Inc.  
Steven Winter  
Gordon Levoy  
Jason C. Williams  
Danny Longo

Assigned Attorney: David A. O'Toole (MWR)

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of advance fee credit card services and credit card protection services.

Status: Complaint for injunctive and other equitable relief filed 4/2/02.  
Commission's motion for summary judgement filed 1/30/03.  
Defendants Biosource, Levoy, Williams and Longo's response to motion for summary judgment filed 3/14/03.  
Commission's reply in support of summary judgment filed 3/21/03.  
Order granting summary judgment for Commission as to liability entered 9/29/03.  
Order for permanent injunction entered 10/17/03.  
Stipulated order as to redress against defendants Biosource Financial, Inc., Gordon Levoy, Jason C. Williams and Danny Longo entered 5/20/04.

***FTC v. CREDIT ENHANCEMENT SERVICES, LLC***, No. CV-02-2134 (E.D.N.Y.)

Parties: Credit Enhancement Services, LLC  
Liberty Benefits, LLC  
Broadway Management, LLC  
Check Fee, LLC, a/k/a Titanium Blue  
Port of Call Centers, LLC  
Port of Call Centers NY, LLC  
Frederick J. Dick, Jr.

Assigned Attorney: Michele Stolls (NER)  
Ann Weintraub

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the marketing and sale of advance fee credit cards.

Status: Complaint for injunctive and other equitable relief filed 4/9/02.  
Stipulated preliminary injunction order, containing an asset freeze provision, entered 5/29/02.  
Motion to amend complaint adding defendants Liberty Benefits, LLC; Broadway Management, LLC; Check Fee, LLC, a/k/a Titanium Blue; Port of Call Centers, LLC; Port of Call Centers NY, LLC filed 8/29/02; granted 10/1/02.  
Amended complaint filed 10/8/02.  
Motion for preliminary injunction as to the new defendants filed 11/4/02.  
Stipulated order for preliminary injunction, including asset freeze, as to the new defendants entered 11/7/02.  
Commission's statement of material facts not in dispute on motion for summary judgment on liability, with defendants' counter-statement, filed 3/13/03.  
Commission's motion for summary judgment on liability and damages filed 6/30/03; defendants' opposition filed 7/18/03; Commission's reply filed 7/29/03.  
Order granting Commission's motion for summary judgment on liability and damages in the amount of \$11,777,881.41 entered 3/31/04.  
Commission's post-judgment motion to amend the final judgment and order for permanent injunction and other equitable relief to include the \$250,000 that previously secured defendant Frederick J. Dick, Jr.'s bail in the related criminal case filed 5/6/04.

***FTC v. CSCT, INC.***, No. 03-C-00880 (N.D. Ill.)

Parties: CSCT, Inc.  
CSCT, Ltd.  
John Leslie Armstrong  
Michael John Reynolds

Assigned Attorneys: Katherine Romano Schnack (MWR)  
Rolando Berrelez

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 of the FTC Act in connection with the marketing of purported electromagnetic cancer therapy.

Status: Complaint for permanent injunction and other equitable relief filed 2/6/03.  
Ex parte TRO entered 2/11/03.  
Preliminary injunction entered 2/21/03.  
Order finding defendants in contempt entered 7/2/03.  
Motion for entry of default against defendant CSCT, Ltd. filed and granted 9/24/03.  
Stipulated final judgment and order for permanent injunction entered 2/17/04.

***FTC v. CYBERSPACE.COM, LLC***, No. 04-35428 (9th Cir.); No. 00-CV-01806 (W.D. Wash.)

Parties: Cyberspace.com, LLC  
French Dreams  
Coto Settlement  
Electronic Publishing Ventures  
Olympic Telecommunications, Inc.  
Ian Eisenberg  
Chris Hebard

Assigned Attorneys: Collot Guerard (BCP/MP)  
Michael Goodman  
Marilyn E. Kerst (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of Internet services.

Status: Complaint filed 10/20/00.  
Stipulated permanent injunction as to defendants Ian Eisenberg, French Dreams, and Olympic Telecommunications filed 10/10/00; entered 10/23/00.  
Stipulated permanent injunction as to defendants Chris Hebard and Coto Settlement filed 10/20/00; entered 10/23/00.  
Plaintiff's application for entry of default as to Cyberspace.com, LLC and as to Electronic Publishing Ventures, LLC filed 12/18/00.  
Orders of default entered against Cyberspace.com, LLC, and Electronic Publishing Ventures, LLC entered 12/21/00.  
Answers of defendants C. Hebard and Coto Settlement filed 3/26/01.  
Answers and cross-complaint (against C. Hebard and Coto Settlement) of defendants French Dreams, Olympic Telecommunications, Inc., and Ian Eisenberg, filed 3/29/01.  
Commission's motion to dismiss debtor EPV's related Chapter 11 bankruptcy case filed 3/29/01.  
Notice of withdrawal of disclosure statement by debtor EPV in related Chapter 11 bankruptcy case filed 4/3/01.  
Commission's motion to strike affirmative defenses of French Dreams, Olympic Telecommunications and Ian Eisenberg and, separately, to strike those of Coto Settlement and Chris Hebard filed 4/17/01.  
Order granting in part and denying in part motions to strike affirmative defenses of Coto Settlement and Chris Hebard and of Ian Eisenberg, Olympic Telecommunications and French Dreams entered 5/30/01.  
Order dismissing EPV's related Chapter 11 bankruptcy case entered 6/6/01.  
Order granting Commission's motion for summary judgment as to

liability, directing parties to try to resolve the amount of consumer redress through mediation with magistrate, entered 7/10/02.  
Commission's brief showing amount of unreimbursed consumer injury filed 4/28/03; defendant's briefs regarding consumer injury filed 7/21/03; Commission's response filed 7/24/03.  
Commission's motion for leave to file its case-in chief on consumer injury through written testimony filed 11/26/03; opposition by Hebard and objection by Eisenberg filed 12/8/03.  
Order setting hearing for 1/5/04 and ordering that all parties present their case-in chief through written testimony, with the declarants available for cross-examination entered 12/8/03.  
Commission and defendants' cases-in chief via deposition testimony, declarations, and exhibits filed 12/29/03.  
Trial on amount of consumer injury held 1/5/04.  
Post trial briefs of all parties filed 2/14/04.  
Judgment for the Commission and a finding of \$17.6 million in consumer injury entered 3/11/04.  
Notice of appeal filed 5/14/04.

***FTC v. D SQUARED SOLUTIONS, LLC***, No. 03-CV-3108 (D. Md.)

Parties: D Squared Solutions, LLC  
Anish Dhingra  
Jeffrey Davis

Assigned Attorneys: Daniel R. Salsburg (BCP/MP)  
Mona S. Spivack

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 in connection with bombarding consumers' computers with Windows Messenger Service "pop up" spam that pitches "pop up"-removal software.

Status: Complaint for injunctive and other equitable relief filed 10/30/03.  
Ex parte TRO entered 10/30/03.  
Commission's motion for a preliminary injunction filed 10/30/03;  
response filed 11/26/03; reply filed 12/8/03; order denying motion and vacating TRO entered 12/16/03.



***FTC v. DATATECH COMMUNICATIONS, INC.***, No. 03C 6249 (N.D. Ill.)

Parties: Datatech Communications, Inc.  
9106 Quebec, Inc., d/b/a Datatech Communications, Inc.  
9102-3127 Quebec, Inc., d/b/a I-Point Media  
Robert Brewer  
Elias Bakomichalis  
Gregory MacNeil

Assigned Attorneys: Theresa M. McGrew (MWR)  
Guy W. Ward

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of listings in business directories via interstate telephone calls.

Status: Complaint for a permanent injunction and other equitable relief filed 9/8/03.  
TRO with asset freeze entered 9/8/03.  
Stipulated extension of TRO entered 10/1/03, 10/23/03, 11/21/03, 1/13/04, 2/10/04 and 2/19/04.  
Stipulated preliminary injunction filed 3/30/04.

***FTC v. DAVISON & ASSOCIATES, INC.***, No. 97-1278 (W.D. Pa.)

Parties: Davison & Associates, Inc. George M. Davison III  
Thomas Dowler Gordon M. Davison  
Manufacturer's Support Services, Inc. Barbara Davison  
Barbara Miele

Assigned Attorneys: Steven W. Balster (ECR)  
Michael Milgrom  
Brenda W. Doubrava  
Albert W. Schollaert (AUSA)

Alleged Conduct: Deceptive practices in the sale of invention-promotion services.

Status: Complaint filed 7/15/97.  
TRO, including asset freeze and appointment of receiver, entered 7/15/97;  
extended by agreement.  
Amended complaint adding defendants filed 3/23/98.  
Stipulated permanent injunction as to defendant Dowler entered 2/22/99.  
Commission motion for summary judgment filed 4/5/99.  
Defendants' opposition to summary judgment filed 6/1/99.  
Commission reply to defendants' opposition to summary judgment filed  
6/17/99.  
Hearing on summary judgment motion held 8/4/99.  
Commission's motion for preliminary injunction filed 4/3/01.  
Defendants' response filed 4/25/01.  
Commission's reply filed 5/4/01.  
Defendants' reply filed 5/21/01.  
Memorandum opinion denying Commission's motion for a preliminary  
injunction entered 3/31/03.  
Order referring case to Magistrate Judge Gary L. Lancaster entered  
4/24/03.  
Report and recommendation of Magistrate Judge Lancaster that  
Commission's motion for summary judgment be denied entered  
4/24/03.  
Commission's objections to the report and recommendation filed 5/8/03.  
Defendants' opposition to Commission's objections filed 5/22/03.  
Commission's reply in support of objections filed 6/2/03.  
Order denying motion for summary judgment adopting magistrate's report  
and recommendations entered 6/10/03.  
Settlement conference before magistrate held 2/23/04.  
Order requiring the Commission to file an amended pretrial statement  
entered 2/23/04.  
Commission's revised pretrial narrative statement filed 4/29/04.

***FTC v. DION***, No. 03-40005-NMG (D. Mass.)

Parties: William Scott Dion, d/b/a PT Resource Center and PTRC, a/k/a Don Glessner  
Donald Lockwood, d/b/a PT Resource Center and PTRC, and a/k/a Don Glessner  
Vivian Lockwood, d/b/a PT Resource Center and PTRC

Assigned Attorneys: Thomas A. Cohn (NER)  
Theodore Zang, Jr.

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing of phony international drivers' licenses via unsolicited commercial emails ("spam") and the internet.

Status: Complaint for injunctive and other equitable relief filed 1/8/03.  
Ex parte TRO entered 1/9/03.  
Preliminary injunction against Dion entered 2/6/03.  
Motion for contempt, against Dion for violating asset freeze provision of the TRO, filed 3/26/03.  
Amended complaint, adding defendants Donald Lockwood and Vivian Lockwood, filed 3/27/03.  
Motion for preliminary injunction filed 3/27/03.  
Contempt hearing held 4/11/03.  
Motion for summary judgment against Dion filed 5/14/03; denied without prejudice 6/13/03.  
Contempt order against Dion entered 6/13/03.  
Preliminary injunction extended to the Lockwood defendants entered 7/23/03.  
Commission's motion for summary judgment against the Lockwood defendants filed 8/25/03; motion denied as moot 9/23/03.  
Commission's motion for default judgment as to the Lockwood defendants filed 8/28/03; motion granted 9/23/03.  
Permanent injunction against defendants Donald Lockwood and Vivian Lockwood entered 4/5/04.  
Stipulated final order for permanent injunction as to defendant William Scott Dion entered 4/30/04.

***FTC v. DIRECT MARKETING CONCEPTS, INC.***, No. 04-CV-11136-GAO (D. Mass.)

Parties: Direct Marketing Concepts, Inc., d/b/a Today's Health and Direct Fulfillment  
ITV Direct, Inc., d/b/a Direct Fulfillment  
Healthy Solutions, LLC, d/b/a Direct Business Concepts  
Health Solutions, Inc.  
Donald W. Barrett  
Alejandro Guerrero, a/k/a Alex Guerrero  
Michael Howell  
Greg Geremesz  
Triad ML Marketing, Inc.  
King Media, Inc.  
Allen Stern

Assigned Attorneys: Edward Glennon (BCP/AP)  
Daniel Kaufman  
Kial Young

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of a dietary supplement.

Status: Complaint for permanent injunction and other equitable relief filed 6/1/04. Preliminary injunction as to defendants Direct Marketing Concepts, Inc., ITV Direct, Inc., and Donald W. Barrett entered 6/23/04.

***FTC v. DR. CLARK RESEARCH ASSOCIATION***, No. 04-3491 (6th Cir.); No. 03-CV-54  
(N.D. Ohio)

Parties: Dr. Clark Research Association  
Dr. Clark Behandlungszentrum GmbH, d/b/a Dr. Clark Zentrum  
David P. Amrein

Assigned Attorney: Michael Milgrom (ECR)  
Leslie R. Melman (OGC)

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the marketing and sale of dietary supplements and devices that “cure” serious diseases.

Status: Complaint for permanent injunction and other equitable relief filed 1/8/03.  
Defendants Dr. Clark Research Association and Amrein’s motions to dismiss for lack of personal jurisdiction and for improper venue filed 2/27/03.  
Defendant Dr. Clark Behandlungszentrum GmbH’s motions to dismiss for lack of personal jurisdiction and for improper venue filed 3/27/03.  
Opposition to defendants Dr. Clark Research Association and Amrein’s motions to dismiss for lack of personal jurisdiction and for improper venue filed 3/27/03.  
Opposition to defendant Dr. Clark Behandlungszentrum GmbH’s motions to dismiss for lack of personal jurisdiction and for improper venue filed 4/2/03.  
Motion for TRO and preliminary injunction filed 8/25/03.  
Stipulated TRO entered 10/2/03.  
Stipulated preliminary injunction entered 11/4/03.  
Notice of appeal filed 4/14/04; Commission’s motion to dismiss appeal filed 5/6/04; appeal dismissed 5/14/04; petition for rehearing filed 5/27/04.  
Commission’s motion for summary judgment filed 6/1/04.  
Trial set for 10/4/04.

***FTC v. ELECTRONIC FINANCIAL GROUP, INC.***, No. 03CA211 (W.D. Tex.)

Parties: Electronic Financial Group, Inc.  
EFG Card Services, Inc.  
Paul McClinton  
Jerry Federico  
Randy Balusek

Assigned Attorneys: David R. Speigel (BCP/MP)  
James H. Davis

Alleged Conduct: Deceptive practices in violation of the Telemarketing Sales Rule and Section 5 in connection with processing on behalf of fraudulent telemarketers and operating deceptive advance-fee charge card schemes.

Status: Complaint for injunctive and other equitable relief filed 7/7/03.  
TRO entered 7/8/03.  
Stipulated preliminary injunction entered 8/8/03.  
Stipulated order for permanent injunction and monetary judgment, including \$3.9 million in consumer redress, entered 3/23/04.

***FTC v. ELECTRONIC PRODUCTS DISTRIBUTION, LLC***, No. 02CV0888H (AJB) (S.D. Cal.)

Parties: Electronic Products Distribution, LLC  
Thomas Nelson  
Holly Hernandez  
Energizer Products, Inc.  
Ab Energizer, L.L.C.  
AbFlex USA, Inc.  
Martin Van Der Hoeven

Assigned Attorneys: Walter Gross (BCP/ENF)  
Laureen Kapin  
Amy Lloyd

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale and promotion of an electronic abdominal exercise belt, AB Energizer.

Status: Complaint filed 5/7/02.  
Answers for all defendants filed 6/3/02.  
Stipulated motion to stay proceedings filed 7/16/03; denied 7/16/03.  
Order for a 90-day stay entered 1/21/04; and 4/22/04.

***FTC v. ENFORMA NATURAL PRODUCTS, INC.***, Nos. 02-57078, 02-56842, 00-56942 (9th Cir.); No. 00-04376 JSL (CWx) (C.D. Cal.)

Parties: Enforma Natural Products, Inc.  
Andrew Grey  
Fred Zinos

Assigned Attorneys: David P. Frankel (BCP/AP)  
Theodore H. Hoppock  
Serena Viswanathan  
Barbara Chun (WR-LA)  
Marilyn E. Kerst (OGC)  
Lawrence DeMille-Wagman

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the marketing and sale of weight loss products.

Status: Complaint filed 4/25/00.  
Stipulated final judgment as to defendant Zinos filed 4/25/00; entered 5/10/00.  
Stipulated final judgment as to defendants Enforma and Grey (including consumer redress of \$10 million) filed 4/25/00; entered 5/11/00.  
Corporate defendant's motion to clarify or modify stipulated final judgment filed 10/23/00.  
Opposition filed 11/6/00.  
Reply filed 11/13/00.  
Motion to clarify or modify denied 11/15/00.  
Notice of appeal by defendant Enforma Natural Products, Inc. filed 11/19/00.  
Emergency motion in court of appeals for stay pending appeal filed 11/20/00.  
Opposition filed 11/30/00.  
Motion for stay denied 12/7/00.  
Application to have defendant Enforma and others held in contempt for violation of stipulated final judgment, filed 1/4/02.  
Lower court decision denying motion to clarify or modify final judgment affirmed by court of appeals, 2/12/02.  
Second contempt application against defendants Enforma Natural Products, Inc. and Andrew Grey and respondents Twenty-Four Seven, LLC and Donna DiFerdinando filed 7/23/02.  
Preliminary injunction regarding weight loss products Acceleron and Chitozyme entered by district court 10/30/02.  
Notice of appeal by Enforma Natural Products, Andrew Grey, Twenty-Four Seven, LLC, and Donna DiFerdinando filed 10/31/02.

Appellants' motion for a stay in 9th Circuit (02-56842) filed and denied 11/1/02.

Appellants' opening brief (02-56842) filed 11/29/02; Commission's response brief filed 2/19/03; appellants' reply filed 3/4/03.

Preliminary injunction regarding weight loss products Fat Trapper Plus and Exercise In A Bottle entered by district court 12/09/02.

Notice of appeal by Enforma Natural Products, Andrew Grey, and Michael Ehrman filed 12/12/02.

Appellants' motion for a stay in 9th Circuit (02-57078) filed 12/17/02; Commission's opposition filed 12/19/02; order denying motion for a stay entered 12/19/02.

Appellants' opening brief (02-57078) filed 1/9/03; Commission's response filed 2/6/03; appellants' reply filed 2/19/03.

Contempt hearing in district court held 1/21/03-1/22/03.

Defendants' and respondents' motion to disqualify trial judge in district court filed 4/9/03; granted 05/29/03.

Case reassigned to Judge Stephen Wilson 05/30/03.

Defendants' brief regarding further proceedings in the district court filed 7/10/03; Commission's response filed 7/17/03; Defendants' reply filed 7/24/03.

Oral argument in the 9th Circuit (02-57078) held 9/12/03.

Defendants' and respondents' motion to disqualify court-appointed expert, Dr. David Herber, denied 9/22/03.

Defendants' and respondents' motion to dismiss the two pending contempt applications granted in part and denied in part 11/12/03.

Commission's motion to submit scientific issues to Dr. Heber filed 12/6/03; Defendants' and respondents' opposition filed 12/22/03; Commission's reply filed 12/29/03; hearing held 1/5/04.

Commission's motion to strike declaration of defense expert, Dr. Burke, filed 12/6/03; Defendants' and respondents' opposition filed 12/22/03; Commission's reply filed 12/29/03; hearing held 1/5/04; order denying motion to strike entered 1/9/04.

Order proposing a new court appointed expert and special master entered 1/12/04.

Defendants' disclosure of relationship of counsel with proposed court appointed expert and special master filed 2/20/04.

Commission's objections to the appointment of proposed court appointed expert filed 2/21/04.

Opinion of the 9th Circuit vacating the two preliminary injunctions entered 4/1/04.



***FTC v. ESSEX MARKETING GROUP, INC.***, No. 02-CV-3415 (E.D.N.Y.)

Parties: Essex Marketing Group, Inc.  
Westbrook Marketing Group, Inc.  
Westbrook Marketing Associates, LLC  
Manhattan Vending, LLC  
Richard J. Guadagno, a/k/a Rich Dano, Rich Guadano and Richard  
Guadago  
Jack G. Schwartz  
Henry Sanchez

Assigned Attorneys: Ann F. Weintraub (NER)  
Ronald L. Waldman

Alleged Conduct: Deceptive practices in violation of Section 5 and the Franchise Rule in  
connection with the offering and sale of vending machine business  
ventures.

Status: Complaint for injunctive and other equitable relief filed 6/13/02.  
Order that case be put under seal entered 6/14/02.  
Stipulated TRO against all parties except Schwartz entered 6/27/02.  
Stipulated TRO against Schwartz entered 7/17/02.  
Stipulated preliminary injunction against Schwartz entered 10/4/02.  
Seal lifted 10/11/02.  
Stipulated preliminary injunction against all parties except Schwartz  
entered 2/27/03.

***FTC v. EXPITAR CORPORATION***, No. 03-CV-8511 (DAB) (S.D.N.Y.)

Parties: Expitar Corporation  
Liberty Online Services, Inc.  
National Online Services, Inc.  
B2B Advantage, Inc., a/k/a SBA Online, Inc.  
William Douglas Rhodes

Assigned Attorneys: Carole A. Paynter (NER)  
Ann F. Weintraub  
Maria Coppola  
Mazor Matzkevich

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 in connection with the sale of internet services to small businesses.

Status: Complaint for injunctive and other equitable relief filed 10/28/03.  
TRO with asset freeze entered 10/29/03.  
Stipulated preliminary injunction entered 11/21/03.

***FTC v. FINANCIAL RESOURCES UNLIMITED, INC.***, No. 03-C-8864 (N.D. Ill.)

Parties: Financial Resources Unlimited, Inc.  
Supreme Mailing Services, Inc.  
Mark E. Shelton, d/b/a L. Lewis & Associates, A. Joseph & Associates

Assigned Attorney: John C. Hallerud (MWR)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of envelope stuffing employment opportunities.

Status: Complaint for injunctive and other equitable relief filed 12/9/03.  
TRO with asset freeze entered 12/15/03.

***FTC v. FIRST AMERICAN PAYMENT PROCESSING, INC.***, No. CV-04-0074 PHX SRB (D. Ariz.)

Parties: First American Payment Processing, Inc.  
Check Processing Center LLC  
CET Corporation  
Carl E. Towner  
Matthew Robinson  
Jennifer Robinson  
Jennifer Suzanne Towner

Assigned Attorneys: Michael P. Mora (BCP/MP)  
Marc Groman

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with processing electronic payments from consumers' bank accounts for advance-fee credit card schemes.

Status: Complaint for injunctive and other equitable relief filed 1/13/04.  
Stipulated preliminary injunction entered 1/20/04.

***FTC v. FREECOM COMMUNICATIONS, INC.***, No. 03-4063 (10th Cir.); No. 2:96CV492 (D. Utah)

Parties: FreeCom Communications, Inc.  
American Home Business Association, Inc.  
Financial Freedom Report, Inc. Dana P. Gull  
Silent Salesforce, Inc. Eleva, Inc.  
FFR Marketing, Inc. Mark O. Haroldsen  
Robert V. Brazell Don S. Gull  
Kelly Haroldsen Annette S. Brazell

Assigned Attorneys: David Newman (WR-SF)  
Janice Charter  
Larence DeMille-Wagman (OGC)

Alleged Conduct: Deceptive practices in the sale of home-based business ventures.

Status: Complaint filed 6/4/96; stipulated TRO entered 6/14/96.  
Motion to dismiss denied 4/21/98.  
Consent decree and permanent injunction as to Brazell defendants entered 12/28/98.  
Stipulated final judgment as to Haroldsen filed 8/10/99; entered 8/11/99.  
Order reassigning the case to another judge entered 12/7/99.  
Consent decree as to defendant American Home Business Association filed 9/7/00; entered 9/12/00.  
Consent decree and order for preliminary injunction with respect to defendants FreeCom Communications Inc., Freedom Report, Inc., Financial Freedom Report Marketing, Inc. and Silent Salesforce, Inc. filed 10/22/01; entered 10/22/01.  
Trial held 10/22/01 through 10/30/01.  
Defendant's proposed findings and conclusions adopted, with amendments, 10/30/01.  
Judgment for defendant Haroldsen and against the Commission entered 2/12/02.  
Commission's motion to amend judgment and amend findings of fact and conclusions of law filed 2/25/02.  
Amended judgment entered 3/13/02.  
Defendant Brazell's motion for relief from consent decree filed 4/23/02.  
Opposition to motion for relief from consent decree filed 5/7/02.  
Reply memorandum in support of motion for relief from consent decree filed 5/20/02.  
Order denying motion for relief from consent decree entered 7/16/02.  
Hearing on defendant Haroldsen's motion for attorney's fees held 9/12/02.  
Court's findings of fact and conclusions of law re: attorney's fees and expenses under EAJA entered 1/22/03.

Notice of appeal by the Commission filed 3/24/03.  
Commission's opening brief filed 6/3/03.  
Appellee's response brief filed 8/6/03.  
Commission's reply brief filed 9/24/03.  
Oral argument scheduled for 9/29/04.

***FTC v. GARVEY***, Nos. 03-55179 (9th Cir); 00-9358 GAF (CWx) (C.D. Cal.)

Parties: Steven Patrick Garvey, a/k/a Steve Garvey  
Garvey Management Group, Inc.  
Lark Kendall, a/k/a Kendall Carson  
Mark Levine  
Modern Interactive Technology, Inc.  
David Richmond

Assigned Attorneys: David P. Frankel (BCP/AP)  
Theodore H. Hoppock  
Serena Viswanathan  
John F. Daly (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of a weight loss product.

Status: Complaint filed 8/31/00.  
Stipulated final judgment as to defendant Kendall filed 8/31/00; entered 11/15/00.  
Order reassigning case to a new judge entered 9/25/00.  
Defendants' motion to dismiss filed 10/13/00; denied 11/15/00.  
Opposition filed 11/6/00.  
Reply filed 11/13/00.  
Defendants' answers to complaint filed 12/15/00.  
Motion to strike defendants' affirmative defense against the Commission filed 1/4/01; granted 4/24/01.  
Commission's motion for partial summary judgment as to defendants Modern Interactive, Mark Levine and David Richmond filed 6/1/01; denied as moot 8/14/01.  
Defendants' motion for summary judgment as to all defendants filed 7/2/01; granted 8/13/01 as to defendants Modern Interactive, Mark Levine and David Richmond; denied 8/13/01 as to Steve Garvey and Garvey Management.  
Commission's motion for reconsideration filed 8/24/01; denied 9/19/01.  
Defendants' motion for summary judgment as to Steve Garvey and Garvey Management filed 10/1/01; denied 11/8/01.  
Trial held 3/5/02 through 3/8/02.  
Judgment in favor of defendants entered 11/26/02.  
Notice of appeal filed 1/23/03.  
Commission's opening brief filed 5/9/03.  
Appellee's answering brief filed 7/8/03.  
Commission's reply brief filed 8/6/03.

Oral argument held 5/11/04.

***FTC v. GLOBAL WEB PROMOTIONS PTY LTD.***, No. 04C 3022 (N.D. Ill.)

Parties: Global Web Promotions Pty Ltd.  
Michael John Anthony Van Essen  
Lance Thomas Atkinson

Assigned Attorneys: Steven M. Wernikoff (MWR)  
William J. Hodor  
Jason K. Bowler

Alleged Conduct: Deceptive practices in violation of Section 5 and the Controlling the Assault of Non-Solicited Pornographic and Marketing Act of 2003 in connection with the operation of a massive spamming enterprise.

Status: Complaint for injunctive and other equitable relief filed 4/28/04.  
TRO as to Michael John Anthony Van Essen and Lance Thomas Atkinson entered 5/13/04.  
Stipulated preliminary injunction as to Global Web Promotions entered 5/13/04.  
Preliminary injunction as to Michael John Anthony Van Essen and Lance Thomas Atkinson entered 5/26/04.

***FTC v. GLOBAL WEB SOLUTIONS, INC.***, No. 03-CV-2031-HHK (D.D.C.)

Parties: Global Web Solutions, Inc., d/b/a USA Immigration Services, US  
Immigrations Online, USAIS, and USIO  
John Romano  
Hoda M. Nofal

Assigned Attorneys: Gregory A. Ashe (BCP/ENF)  
James Reilly Dolan  
Joel N. Brewer

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of  
travel and residency status documents and services through the internet.

Status: Complaint for injunctive and other equitable relief filed 10/1/03.  
TRO entered 10/2/03.  
Stipulated preliminary injunction entered 12/26/03.  
Stipulated final order for permanent injunction and settlement of claims,  
including approximately \$2.2 million in monetary relief, entered  
6/30/04.



***FTC v. GREETING CARDS OF AMERICA, INC.***, No. 03-60746-Civ-Gold (S.D. Fla.)

Parties: Greeting Cards of America, Inc.  
Gerald Towbin, a/k/a Alex Carr and John Grant  
Susan Towbin, a/k/a Mary Grant and Sandy Grant  
American Eagle Placements  
Forrest Adams

Assigned Attorney: Harold E. Kirtz (SER)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Franchise Rule in connection with the sale of greeting card business opportunities.

Status: Complaint for injunctive and other equitable relief filed 4/21/03.  
TRO granted 4/21/03.  
Stipulated preliminary injunction as to defendants Greeting Cards of America, Inc., Gerald Towbin, and Susan Towbin entered 5/14/03.  
Stipulated preliminary injunction as to defendants American Eagle Placements and Forrest Adams entered 5/21/03.  
Order directing parties to mediation entered 8/7/03.  
Commission's motion for summary judgment as to defendants Greeting Cards of America, Inc., Gerald Towbin, and Susan Towbin filed 12/31/03.  
Stipulated final judgment as to defendants American Eagle Placements and Forrest Adams entered 1/26/04.  
Stipulated final judgment and order for permanent injunction and other equitable relief against Greeting Cards of America, Gerald Towbin and Susan Towbin, including approximately \$400,000 in consumer redress, entered 5/3/04.

***FTC v. HANSON PUBLICATIONS, INC.***, No. 1-02-02205-DCN (N.D. Ohio)

Parties: Hanson Publications, Inc.  
9069-5057 Quebec, Inc., d/b/a Hanson Publications, Inc.  
Associated Merchant Paper Supplies, Inc., d/b/a AMPS and Fourniturede  
Papier Associated Merchant, Inc.  
Albert Mouyal  
Adrian P. Towing  
Charles Hamouth

Assigned Attorneys: Jon Miller Steiger (ECR)  
Larissa L. Bungo  
Jonathan Kessler

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the offering for sale and sale of business directories and nondurable office supplies.

Status: Complaint for injunctive and other equitable relief filed 11/8/02.  
TRO with asset freeze entered 11/12/02.  
Preliminary injunction as to all defendants except Albert Mouyal entered 12/6/02.  
Stipulated preliminary injunction as to Albert Mouyal entered 12/13/02.  
Order to show cause why certain defendants should not be held in contempt entered 1/10/03.  
Motion to stay, by defendants Adrian Towing, Charles Hamouth, Hanson Publications, 9069-5057 Quebec, and Associated Merchant Paper Supplies, filed 1/14/03.  
Commission's opposition to defendants' motion to stay filed 1/31/03.  
Commission's supplemental opposition to defendants' motion to stay filed 2/4/03.  
Order denying defendants' motion to stay entered 2/14/03.  
Commission's motion for an expedited rescheduling of the contempt show cause hearing filed 2/21/03.  
Commission's second expedited motion for order to show cause why certain defendants should not be held in contempt filed 4/22/03.  
Order finding certain defendants in contempt of court and imposing daily monetary sanctions entered 5/1/03.  
Commission's motion for summary judgment against all defendants filed 10/15/03.  
Order continuing trial date to allow for settlement entered 11/19/03.  
Stipulated final order and permanent injunction as to Hanson Publications, Inc., 9069-5057 Quebec, Inc., Associated Merchant Paper Supplies, Inc., Adrian P. Towing, and Charles Hamouth, including \$839,000 in consumer redress, entered 1/7/04.

Stipulated final order and permanent injunction as to Albert Mouyal entered 5/24/04.

***FTC v. HERITAGE HEALTH PRODUCTS COMPANY***, No. 04-WM-0775 (CBS) (D. Colo.)

Party: Heritage Health Products Company

Assigned Attorneys: Michael J. Bloom (NER)  
Donald G. D'Amato

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of dietary supplements.

Status: Complaint for injunctive and other equitable relief filed 4/16/04.  
Stipulated final order for permanent injunction entered 4/22/04.

***FTC v. HILL***, No. 03-CV-5537 (S.D. Tex.)

Party: Zachary Keith Hill

Assigned Attorneys: Eric A. Wenger (BCP/MP)  
Patricia H. Poss

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Gramm-Leach-Bliley Act in connection with the solicitation of financial information from consumers using spam e-mail messages that purport to come from other sources.

Status: Complaint for permanent injunction and other equitable relief filed 12/3/03.  
TRO with asset freeze entered 12/4/03.  
Stipulated preliminary injunction entered 12/17/03.  
Stipulated final judgment and order for permanent injunction and other equitable relief entered 5/24/04.

***FTC v. INNOVATIVE SYSTEMS TECHNOLOGY, INC.***, No. CV04-0728 GAF JTLx (C.D. Cal.)

Parties: Innovative Systems Technology, Inc.  
Debt Resolutions Specialists, Inc.  
Todd A. Baker  
Jack Briggs, a/k/a John Briggs

Assigned Attorneys: Kenneth Abbe (WR-LA)  
Barbara Y.K. Chun

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the offering of debt negotiation services.

Status: Complaint for injunctive and other equitable relief filed 2/4/04.  
Stipulated final judgment and order for permanent injunction against defendant Jack Briggs entered 2/6/04.  
Stipulated preliminary injunction as to remaining defendants entered 3/23/04.

***FTC v. INTERNET MARKETING GROUP, INC.***, No. 3:04-0568 (M.D. Tenn.)

Parties: Internet Marketing Group, Inc.  
OneSetPrice, Inc.  
First Choice Terminal, Inc.  
B & C Ventures, Inc.  
RPM Marketing Group, Inc.  
National Event Coordinators, Inc.  
David G. Cutler  
Cindy Gannon  
Paul D. Bonnallie  
Tisa Christiana Spraul  
Michael J. Hatch

Assigned Attorneys: Deborah W. Dawson (SWR)  
James R. Golder  
James E. Elliott

Alleged Conduct: Deceptive practices in violation of Section 5, the Franchise Rule and The Telemarketing Sales Rule and National Do Not Call Registry in connection with the sale of a variety of business ventures involving telephone calling card distributorship and the ownership and operation of public-access Internet and telecommunication terminals.

Status: Complaint for injunction and other equitable relief filed 6/28/04.  
Ex parte TRO with asset freeze entered 6/29/04.

***FTC v. JACOBSON***, No. 04-CV-1176 (D. Md.)

Parties: State of Maryland (Co-plaintiff)  
Sandra L. Jacobson

Assigned Attorneys: John D. Jacobs (WR-LA)  
Jennifer M. Brennan  
David C. Fix (BCP/MP)  
Robert Schoshinski  
Dale Cantone (Maryland Attorney General's Office)

Alleged Conduct: Deceptive practices in violation of Section 5 and Maryland state law in connection with the operation of a pyramid scheme.

Status: Complaint for permanent injunction and other equitable relief filed 4/13/04.

***FTC v. JUBILEE FINANCIAL SERVICES, INC.***, No. 02-6468 (C.D. Cal.)

Parties: Jubilee Financial Services, Inc.  
John E. Gustaven  
Jabez Financial Group, Inc.  
Curtis Cobb  
Gustaven Learning Centers, Inc.  
Jemuel Apelar, a/k/a Jim Appelar  
Debt Relief Counselors of America  
John K. Mitchell

Assigned Attorney: Jennifer Larabee (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of debt negotiation services.

Status: Complaint filed 8/19/02.  
Ex parte TRO and appointment of a receiver entered 8/23/02.  
Stipulation and order for preliminary injunction as to defendants Curtis Cobb and Jabez Financial Group, Inc. entered 9/4/02.  
Stipulation and order for preliminary injunction as to defendants John E. Gustaven and Jubilee Financial Services, Inc. entered 9/4/02.  
First amended complaint adding defendants Gustaven Learning Centers, Inc., Jemuel Apelar, Debt Relief Counselors of America, and John K. Mitchell filed 2/4/03.  
Stipulation and order for preliminary injunction as to defendant Gustaven Learning Centers, Inc. entered 3/27/03.  
Stipulation and final order of permanent injunction as to defendant Curtis Cobb entered 7/9/03.  
Stipulation and final order of permanent injunction as to defendant John E. Gustaven entered 7/9/03.  
Trial scheduled for 11/16/04.

***FTC v. KAMARFU ENTERPRISES, INC.***, No. 04-21280 (S.D. Fla.)

Parties: Kamarfu Enterprises, Inc.  
Maritza Fuentes

Assigned Attorneys: Angela Floyd (BCP/ENF)  
Hampton Newsome

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of dietary supplements.

Status: Complaint for permanent injunctive and other equitable relief filed 5/28/04.  
Stipulated final order for permanent injunctive and other equitable relief entered 6/2/04.

***FTC v. KELLY***, No. CV 99 562 RJD (E.D.N.Y.)

Party: Patrick R. Kelly, d/b/a Patrick R. Kelly Enterprises and P.R.K. Enterprises

Assigned Attorney: Ann Weintraub (NER)

Alleged Conduct: Violations of Section 5 and the Credit Repair Organizations Act in connection with counseling consumers to create a new credit identity.

Status: Complaint and motion for preliminary injunction filed 1/29/99.  
Preliminary injunction entered 2/10/99.  
Motion for summary judgment filed 7/6/01.  
Defendant's response to motion for summary judgment and motion to dismiss for improper venue filed 9/28/01.  
Reply to defendant's response filed 11/26/01.  
Order granting Commission's motion for summary judgment entered 3/31/04.

***FTC v. KUYKENDALL***, Nos. 02-6101, 02-6102 (10th Cir.); 96-CV-388-M (W.D. Okla.)

Parties: Diversified Marketing Services, Inc.  
H.G. Kuykendall, Jr.  
H.G. Kuykendall, Sr.  
C.H. Kuykendall  
National Marketing Service, Inc.  
NPC Corp. of the Midwest  
Magazine Club Billing Services, Inc.

Assigned Attorneys: Gary Ivens (BCP/MP)  
Brian Huseman  
Michele Arington (OGC)  
John F. Daly

Alleged Conduct: Action to find defendants in contempt for violating a 1996 stipulated permanent injunction.

Status: Complaint filed 3/12/96.  
Stipulated permanent injunction with redress (\$1.5 million) entered 10/18/96.  
Commission's motion to show cause why defendants should not be found in contempt for violation of permanent injunction filed 1/28/02.  
Order finding defendants in contempt and ordering defendants to pay \$39 million for consumer redress entered 3/4/02.  
Motion in district court for stay pending appeal by defendants H.G.Kuykendall, Sr. and C.H. Kuykendall filed 3/22/02.  
Notice of appeal by defendants H.G. Kuykendall, Sr. and C.H. Kuykendall filed 3/22/02.  
Motion in district court for stay pending appeal by H.G. Kuykendall, Jr. and corporate defendants filed 3/25/02.  
Notice of appeal by H.G. Kuykendall, Jr. and corporate defendants filed 3/25/02.  
Order granting stay pending appeal contingent on defendants' posting superseding bond entered 4/9/02.  
H.G. Kuykendall, Sr.'s and C.H. Kuykendall's motion for reconsideration of superseding bond amount filed 4/25/02; motion granted and bond amount reduced to \$5 million, entered 5/29/02.  
Emergency motion by H.G. Kuykendall, Sr. and C.H. Kuykendall for stay pending appeal filed in 10th Circuit, 5/2/02; order denying motion as moot entered 6/11/02.  
Opening brief of appellants H.G. Kuykendall, Sr. and C.H. Kuykendall filed 5/28/02.  
Opening brief of H.G. Kuykendall, Jr. and corporate defendants filed 6/11/02.



Commission's motion to consolidate appeals filed 6/18/02; motion granted 6/20/02.  
Commission's brief filed 7/8/02.  
Appellants' reply briefs filed 7/25/02.  
Oral argument held 9/27/02.  
Opinion and judgment affirming judgment of the district court in all respects, except its determination of the amount of monetary sanctions, and remanding the proceedings for a limited new trial by jury on damages, entered 12/11/02.  
Petition for panel rehearing and rehearing en banc by H.G. Kuykendall, Sr. and C.H. Kuykendall filed 12/26/02; denied 1/14/03.  
Commission's petition for rehearing en banc filed 1/22/03.  
Order directing appellants to file response to Commission's petition for rehearing entered 2/6/03.  
Appellants' answers to Commission's petition for rehearing filed 2/18/03.  
Order granting Commission's petition for rehearing en banc and ordering parties to submit supplemental briefs entered 4/8/03.  
Appellants' supplemental briefs filed 5/16/03.  
Commission's supplemental brief filed 7/2/03.  
Appellants' reply brief filed 7/21/03.  
Oral argument held 9/16/03.  
Opinion and judgment vacating panel opinion; affirming district court judgment on liability as to H.G. Kuykendall, Jr., and Diversified Marketing Services, but reversing district court judgment as to H.G. Kuykendall, Sr., C.H. Kuykendall, National Marketing Service, NPC Corp., and Magazine Club Billing Services; and remanding for further proceedings on amount of contempt sanction, entered 6/10/04.

***FTC v. LATIN HUT, INC.***, No. 04 CV 0830-BTM (RBB) (S.D. Cal.)

Party: Latin Hut, Inc., d/b/a Maya Sales Corporation

Assigned Attorneys: Robin M. Richardson (BCP/ ENF)  
Laura Koss  
John D. Jacobs (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of dietary supplements, devices, and other products.

Status: Complaint for permanent injunctive and other equitable relief filed 4/22/04.  
Stipulated final order for permanent injunctive and other relief entered 4/28/04.

***FTC v. MARK NUTRITIONALS, INC.***, No. SA02CA1151 XR (W.D. Tex.)

Parties: Mark Nutritionals, Inc.  
Harry Siskind  
Edward G. D'Alessandro, Jr.

Assigned Attorneys: Thomas B. Carter (SWR)  
Deborah W. Dawson  
Frederic Dunsky

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the offering for sale and sale of a purported weight loss product.

Status: Complaint for permanent injunction and other equitable relief filed 12/5/02.  
Stipulated order for preliminary injunction as to defendant Mark Nutritionals, Inc. entered 12/11/02.  
Stipulated order for preliminary injunction as to defendant Edward G. D'Alessandro, Jr. entered 12/23/02.  
Stipulated order for preliminary injunction as to defendant Harry Siskind entered 12/27/02.  
Stipulated final order for permanent injunction and settlement of claims for monetary relief as to Edward G. D'Alessandro, Jr., including \$140,000 in disgorgement to the Commission and an additional \$40,000 disgorged to Texas, Illinois, and Pennsylvania in separate state court actions, entered 10/27/03.  
Stipulated final order for permanent injunction as to Mark Nutritionals, Inc., entered 10/27/03.  
Stipulated final order for permanent injunction and settlement of claims for monetary relief as to defendant Harry Siskind, including \$500,000 in disgorgement to the Commission and an additional \$500,000 disgorged to Texas, Illinois, and Pennsylvania in separate state court actions, entered 12/12/03.

***FTC v. MAXWELL***, No. 03-0128 NM (CWx) (C.D. Cal.)

Parties: Jordan Maxwell, a/k/a Russell Pine, d/b/a BBCOA, a/k/a BBC of America  
and Better Books and Cassettes of America  
Vic Varjabedian, a/k/a Victor Varjabedian and Varouj Varjabedian

Assigned Attorneys: Katherine Romano Schnack (MWR)  
Todd M. Kossow  
Kenneth H. Abbe (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Credit Repair  
Organizations Act in connection with the sale of purported International  
Driving Permits through the internet and offering of credit repair services.

Status: Complaint for injunctive and other equitable relief filed 1/7/03.  
TRO with asset freeze and an order to show cause why a preliminary  
injunction should not issue entered 1/8/03.  
Preliminary injunction entered 1/23/03.  
Motion for default judgment filed 3/23/04; granted 4/27/04.

***FTC v. MEDIA MAVERICK, INC.***, No. 04-3395-SVW (CWx) (C.D. Cal.)

Parties: Media Maverick, Inc., a/k/a Maverick Marketing Group, a/k/a Maverick  
Media, d/b/a Balance Bracelet USA  
Mark Jones  
Charles Cody

Assigned Attorneys: Serena Viswanathan (BCP/AP)  
Rielle C. Montague

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of  
a purported pain-relieving device.

Status: Complaint for permanent injunction and other equitable relief filed  
5/13/04.

***FTC v. NATIONAL AUDIT DEFENSE NETWORK, INC.***, No. CV-S-02-0131-RCJ-PAL, (D. Nev.)

Parties: National Audit Defense Network, Inc.  
Tax Coach, Inc., d/b/a Tax Ready  
Oryan Management, Inc.  
Robert Bennington  
Cort Christie  
Al Rodriguez  
Weston J. Coolidge

Assigned Attorneys: Janice L. Charter (WR-SF)  
Jerome M. Steiner  
Blaine T. Welsh (AUSA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Truth in Lending Act by failing to provide refunds in a timely manner in connection with the sale of income tax-reducing strategies and services.

Status: Complaint filed 1/30/02.  
TRO entered 2/1/02.  
Stipulated preliminary injunction entered 2/25/02.  
Amended complaint adding defendants Weston J. Coolidge and Oryan Management, Inc. filed 12/30/02.

***FTC v. NATIONAL CONSUMER COUNCIL***, No. SA CV 04-0474 CJC (JWJx) (C.D. Cal.)

Parties: National Consumer Council  
London Financial Group  
National Consumer Debt Council, LLC  
SoLidium, LLC, d/b/a SoLidium Credit Recovery Services,  
United Consumers Law Group, a Professional Corp.  
J.P. Landis, LLC  
Financial Rescue Services, Inc.  
Signature Equities, LLC  
M&L Springfield Trust  
PC Hailey Trust  
Via Lido Trust  
Walter L. Haines, a/k/a Walter L. Hainowitz  
Paul Kardos  
Walter Joseph Ledda, a/k/a Walter W. Ledda  
Harvey Warren, a/k/a Harvey W. Zvansky  
Martha K. Levitsky, a/k/a Martha E. Kerchen  
Mary Beth Harper, a/k/a Mary Beth Scholz

Assigned Attorneys: Jennifer Larabee (WR-LA)  
Faye Chen Barnouw

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule and the Gramm-Leach-Bliley Act in connection with the offering of debt negotiation programs.

Status: Complaint for permanent injunction and other equitable relief filed 4/23/04.  
TRO with asset freeze entered 5/3/04.  
Stipulated preliminary injunctions entered 5/21/04.

***FTC v. NEXGEN3000.COM, INC.***, No. CIV-03-120TUCWDB (D. Ariz.)

Parties: NexGen3000.com, Inc.  
Globion, Inc.  
Infinity2, Inc.  
David A. Charette  
Jennifer K. Charette  
Robert J. Charette, Jr.  
Marta N. Charette  
Stephen M. Diamond  
Christine A. Wasser  
Edward G. Hoyt

Assigned Attorneys: Chris M. Couillou (SER)  
Robin L. Rock

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the operation of a pyramid scheme.

Status: Complaint for permanent injunction and other equitable relief filed 2/18/03.  
Default entered by the clerk of court 6/17/03.  
Clerk's entrance of default as to Globion, Inc. entered 9/26/03.  
Commission's motion for default judgment against Globion, Inc. and NexGen 3000.com filed 12/22/03.  
Default judgment against Globion, Inc. and NexGen 3000.com entered 2/3/04.  
Defendant Stephen Diamond's motion for summary judgment filed 2/18/04; Commission's opposition filed 3/16/04; defendant's reply filed 3/29/04.  
Stipulated final judgment and order for permanent injunction as to Infinity2, Inc., Edward G. Hoyt and Christine A. Wasser entered 4/21/04.  
Stipulated final judgment and order for permanent injunction as to defendants Robert Charette and Marta Charette entered 6/28/04.

***FTC v. PACIFIC FIRST BENEFIT, LLC***, No. 02C-8678 (N.D. Ill.)

Parties: Pacific First Benefit, LLC  
Key Nation Benefit, LLC  
First Federal Benefit, LLC  
Federal Credit Services, Limited  
Alex Orphanou

Assigned Attorneys: Karen D. Dodge (MWR)  
John C. Hallerud

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the marketing of credit cards through an outbound telemarketing operation.

Status: Complaint for injunctive and other equitable relief filed 12/2/02.  
TRO with asset freeze entered 12/2/02.  
Stipulated order for preliminary injunction entered 12/16/02.

***FTC v. PEOPLES CREDIT FIRST, LLC***, No. 8:03 CV 2353 (M.D. Fla.)

Parties: Peoples Credit First, LLC  
Consumer Preferred, LLC, formerly known as Consumer First, LLC  
Shaun Olmstead  
Julie Connell

Assigned Attorney: Valerie M. Verduce (SER)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of an advance-fee credit card.

Status: Complaint for injunctive and other equitable relief filed 11/10/03.  
TRO with asset freeze entered 11/10/03.  
Stipulated preliminary injunction continuing asset freeze entered 12/23/03.

***FTC v. PHOENIX AVITAR, LLC***, No. 04C 2897 (N.D. Ill.)

Parties: Phoenix Avitar, LLC, d/b/a Avitar Nutrition  
DJI, LLC  
Daniel J. Lin  
Mark M. Sadek  
John J. Lin  
Christopher M. Chung, d/b/a AIT Herbal Marketing

Assigned Attorneys: Steven M. Wernikoff (MWR)  
William J. Hodor  
Jason K. Bowler

Alleged Conduct: Deceptive practices in violation of Section 5 and the Controlling the Assault of Non-Solicited Pornographic and Marketing Act of 2003 in connection with the operation of a spamming enterprise.

Status: Complaint for injunctive and other equitable relief filed 4/23/04.  
TRO with asset freeze entered 4/23/04.  
Preliminary injunction with asset freeze as to defendants Phoenix Avitar, LLC and DJI, LLC entered 5/6/04.

***FTC v. PLATINUM UNIVERSAL, LLC***, No. 03-61987-CIV (S.D. Fla.)

Parties: Platinum Universal, LLC, d/b/a Universal Card Services and Universal Mastercard  
Pulsar Data Inc., d/b/a Universal Card Services and Universal Mastercard  
Jeffrey A. Ullman  
Steven M. Ketover  
Michael Kirkovich

Assigned Attorneys: Ann Weintraub (NER)  
Elvia Gastelo

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of advance fee credit cards.

Status: Complaint for injunctive and other relief filed 11/5/03.  
Ex parte TRO with asset freeze entered 11/10/03.  
Stipulated preliminary injunction entered 11/18/03.  
Motion to amend complaint to add defendant Michael Kirkovich filed 2/10/04; granted 2/18/04.



***FTC v. PREFERRED ALLIANCE, INC.***, No. 1:03-CV-0405 (N.D. Ga.)

Parties: Preferred Alliance, Inc., d/b/a Vacantsun Travel Discounts and  
Genesiscard  
Bruno Faillace

Assigned Attorney: Stephen L. Cohen (BCP/MP)

Alleged Conduct: Unfair and deceptive practices in violation of Section 5, the telemarketing Sales Rule and the Truth in Lending Act in connection with the marketing of memberships in a buying service (a program or plan providing discounted priced services).

Status: Complaint for permanent injunction and other equitable relief filed 2/4/03.  
Stipulated final order for permanent injunction as to defendant Preferred Alliance, Inc. entered 11/26/03.  
Stipulated final judgment and order for permanent injunction as to defendant Bruno Faillace entered 3/23/04.

***FTC v. PREMIER-ESCROW.COM***, No. 03-488-A (E.D. Va.)

Party: One or more unknown parties d/b/a or using Premier-Escrow.com

Assigned Attorney: Michael Tankersley (BCP/MP)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Mail or Telephone Order Merchandise Rule in connection with sales from internet auction sites and classified advertisements through a specific online escrow service.

Status: Complaint for injunctive and other equitable relief filed 4/16/03.  
Preliminary injunction entered 5/16/03.

***FTC v. QT, INC.***, No. 03C-3578 (N.D. Ill.)

Parties: QT, Inc.  
Q-Ray Company  
Bio-Metal, Inc.  
Que Te Park, a/k/a Andrew Q. Park  
Jung Joo Park

Assigned Attorneys: Serena Viswanathan (BCP/AP)  
Rielle C. Montague

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the sale of a pain-relief product.

Status: Complaint for injunctive and other equitable relief filed 5/27/03.  
Ex parte TRO with asset freeze and other equitable relief entered 5/28/03.  
Stipulated order for preliminary injunction with asset transfer restrictions and other equitable relief entered 6/12/03.

***FTC v. RANNEY***, No. 04-F-1065 (MJW) (D. Colo.)

Parties: Phillip W. Ranney  
Armor Mortgage  
Abacus Mortgage  
Community Homebanc Mortgage Services, Inc.  
Harbor Pacific Funding, Inc.  
High Center, Inc.  
Lending Strategies of Colorado, Inc.  
Lite Realty Corp.  
PWR Processing, Inc., d/b/a First Source America Mortgage Corp., d/b/a  
NexLoan  
PWR Press, Inc.  
Source Funding Company  
Kace, LLC  
Mortgage Watch  
Kathleen A. Ranney (relief defendant)

Assigned Attorneys: David M. Newman (WR-SF)  
Sarah Schroeder  
Kerry O'Brien

Alleged Conduct: Deceptive practices in violation of Section 5, the Truth in Lending Act,  
and Regulation Z in connection with the operation as unlicensed mortgage  
brokers.

Status: Complaint for injunctive and other equitable relief filed 5/26/04.  
Ex parte TRO entered 5/27/04.  
Preliminary injunction as to defendant Phillip Ranney entered 6/15/04.

***FTC v. ROYAL FLUSH SYSTEM NETWORK, INC.***, No. C02-1085L (W.D. Wash.)

Parties: Royal Flush System Network, Inc.  
ECAPS Credit Solutions Network, Inc.  
Globalot Services, Inc.  
Flash Productions, Inc.  
Wilson Okike  
Basil Steeves  
Natty Osemwengie  
Obiageli Okike (relief defendant)  
Lexadine Property Management, Inc.  
Uchenna Okike (relief defendant)

Assigned Attorneys: Thomas P. Rowan (NWR)  
Kathryn C. Decker

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with the operation of a foreign lottery telemarketing scheme.

Status: Complaint for permanent injunction filed 5/15/02.  
Stipulated final judgment as to defendant Basil Steeves filed and entered 5/15/02.  
Entry of default as to defendants Royal Flush System Network, Inc., ECAPS Credit Solutions Network, Inc., Globalot Services, Inc., and Flash Productions, Inc. entered 1/28/03.  
Commission's motion for default judgment as to Royal Flush System Network, Inc., ECAPS Credit Solutions Network, Inc., Globalot Services, Inc., and Flash Productions, Inc. filed 8/11/03.  
Commission's motion for summary judgment as to defendant Wilson Okike filed 8/11/03; Defendant Wilson Okike's response filed 9/2/03; Commission's reply filed 9/4/03.  
Stipulated final judgment and order for permanent injunction, consumer redress, and other equitable relief as to defendant Natty Osemwengie entered 4/21/04.  
Stipulated final judgment and order for permanent injunction, consumer redress, and other equitable relief as to defendants Wilson Okike, Royal Flush System Network, Inc., ECPAS Credit Solutions Network, Inc., Globalot Services, Inc., and Flash Productions, Inc., and relief defendants Uchenna Okike and Obiageli Okike, including approximately \$371,000 in consumer redress, entered 4/21/04.  
Dismissal of Lexadine Property Management, Inc. entered 4/21/04.

***FTC v. SAVVIER, INC.***, No. LACV 03-8159 FMC (JTLX) (C.D. Cal.)

Parties: Savvier, Inc.  
Savvier, LP  
BodyFlex, Inc.  
Greer Childers  
Jack Ching Chung Chang  
Jeffrey T. Tuller  
Keith Greer

Assigned Attorneys: Lemuel Dowdy (BCP/ENF)  
Robin Rosen Spector  
Victor DeFrancis

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of an exercise device and system.

Status: Complaint for permanent injunction and other equitable relief filed 11/7/03.  
Stipulated temporary order involving Greer Childers, freezing certain assets, entered 11/2/03.  
TRO as to corporate and other individual defendants entered 11/6/03.  
Preliminary injunction as to all defendants denied 12/19/03.  
Amended complaint adding defendant BodyFlex, Inc. and dismissing defendant Keith Greer filed 1/23/04.  
Trial set for 4/12/05.

***FTC v. SEASILVER USA, INC.***, No. CV-S-03-0676-RLH-LRL (S.D. Cal.)

Parties: Seasilver USA, Inc.  
Americialoe, Inc.  
Bela Berkes  
Jason Berkes  
Brett Rademcher, d/b/a Netmark International and Netmark Pro  
David R. Friedman, D.C.

Assigned Attorneys: Christa Vecchi (BCP/AP)  
Matthew Daynard  
Karen Muoio

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of a purported cure-all liquid supplement.

Status: Complaint for permanent injunction and other equitable relief filed 6/12/03.  
TRO with asset freeze and other equitable relief entered 6/13/03.  
Stipulated preliminary injunction for asset freeze and other equitable relief entered 7/15/03.  
Stipulated final judgment and order for permanent injunction and other equitable relief re Seasilver USA, Inc.; Americialoe, Inc.: Jason Berkes and Bela Berkes, including \$3 million for consumer redress, entered 3/4/04.  
Stipulated final judgment and order for permanent injunction and other equitable relief re David R. Friedman, D.C., including \$1 million in consumer redress, entered 3/4/04.  
Stipulated final judgment and order for permanent injunction and other equitable relief re Brett Rademacher, including \$1.5 million in consumer redress, entered 3/4/04.

***FTC v. SEVILLE MARKETING, LTD.***, No. C04-1181L (W.D. Wash.)

Parties: Seville Marketing, Ltd.  
Gregory Stephen Wong

Assigned Attorneys: Janet M. Evans (BCP/AP)  
Kial Young  
Nadine Samter (NWR)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of HIV test kits.

Status: Complaint for permanent injunction and other equitable relief filed 5/14/04.  
TRO entered 5/18/04.

***FTC v. SILVERMAN***, No. 02-CV-8920 (S.D.N.Y.)

Parties: Brian E. Silverman, d/b/a Electro Depot, BES Systems, Dallas Tech Surplus, and New York Tech Surplus  
John Engholm, a/k/a John Patterson

Assigned Attorney: Ann F. Weintraub (NER)

Alleged Conduct: Deceptive practices in violation of Section 5 and The Mail or Telephone Order Merchandise Rule in connection with the offering for sale of laptop computers through online auctions hosted by “auction house” websites.

Status: Complaint for permanent injunction and other equitable relief filed 11/8/02.  
Stipulated preliminary injunction entered 2/5/03.  
Amended complaint for permanent injunction and other equitable relief, adding defendant John Engholm, filed 10/14/03.  
Commission’s request for clerk to enter a default against defendant John Engholm filed 12/31/03; denied 2/3/04.

***FTC v. SLIM DOWN SOLUTION, LLC***, No. 03-80051 (S.D. Fla.)

Parties: Slim Down Solution, LLC  
Slim Down Solution, Inc.  
S.S.T. Management, Inc.  
The Kara Group, LLC  
Ronald Alarcon  
Kathleen Alarcon  
Maderia Management, Inc.  
Polyglucosamine, Ltd.  
Steven Pierce

Assigned Attorneys: Serena Viswanathan(BCP/AP)  
Karen Muoio

Alleged Conduct: Unfair and deceptive practices in violation of Sections 5 and 12 in connection with the sale of a purported weight-loss product.

Status: Complaint for permanent injunction and other equitable relief filed 1/21/03.  
Stipulated order for preliminary injunction entered 2/21/03.  
Motion for partial judgment on the pleadings against defendants Maderia Management, Polyglucosamine, Ltd., and Steven Pierce filed 3/26/03.  
Response to motion for partial judgment on the pleadings filed 4/9/03.  
Order denying Commission's motion for partial judgment on the pleadings entered 7/7/03.  
Order and judgment for permanent injunction and other equitable relief entered 5/14/04.

***FTC v. SMART INVENTIONS, INC.***, No. CV04-4431 MM(ex) (C.D. Cal.)

Parties: Smart Inventions, Inc.  
Jon D. Nokes  
Darrell Stoddard

Assigned Attorneys: Laura M. Sullivan (BCP/AP)  
Daniel Kaufman  
Raymond McKown (WR-LA)

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 of the FTC Act in connection with the sale of a purported topical analgesic.

Status: Complaint for injunction and other equitable relief filed 6/18/04.



***FTC v. STETZEL***, No. CV-S-03-0396-KJD-LRL (D. Nev.)

Party: Eric Stetzel

Assigned Attorneys: Jerome M. Steiner, Jr. (WR-SF)  
Janice L. Charter  
David M. Newman

Alleged Conduct: Deceptive practices in violation of Section 5 and the Mail or Telephone Order Merchandise Rule in connection with sales from internet auction web sites.

Status: Complaint for permanent injunction and other equitable relief filed 4/15/03.  
TRO with asset freeze and other equitable relief entered 4/17/03.  
Preliminary injunction with asset freeze entered 4/23/03.  
Default by the Court clerk entered 5/14/03.  
Application for entry of order for judgment by default and permanent injunction filed 7/7/03; order entered 10/8/03.

***FTC v. STEWART FINANCE COMPANY HOLDINGS, INC.***, No. 1:03 CV 2648 JTC (N.D. Ga.)

Parties: Stewart Finance Company Holdings, Inc.  
Stewart Finance Company, Inc.  
Stewart National Finance Company, Inc.  
Stewart Finance Company of Louisiana, Inc.  
Stewart Finance Company of Missouri, Inc.  
Stewart Finance Company of Illinois, Inc.  
Stewart Finance Company of Tennessee, Inc.  
D&E Acquisitions, Inc.  
Preferred Choice Auto Club, Inc.  
Stewart Insurance, Ltd.  
J&J Insurance Ltd.  
John Ben Stewart, Jr.

Assigned Attorneys: Karen Hobbs (BCP/FP)  
Anne McCormick  
Sandra M. Wilmore  
John A. Singer (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5, Regulation Z, the Credit Practices Rule, and the FCRA in connection with subprime lending and the sale of ancillary products.

Status: Complaint for injunctive and other relief filed 9/4/03.  
TRO entered 9/12/03.  
Joint motion for continuance filed 9/18/03; granted 9/19/03.  
Consent orders for preliminary injunction over debtor and non-debtor defendants entered 10/8/03.  
Commission's motion to dismiss counterclaim, or in the alternative for summary judgment filed 12/31/03.  
Commission's application for an order to show cause why defendant John Ben Stewart, Jr. and William Joseph Stewart, a non-party, should not be held in contempt filed 1/29/04; granted 2/17/04.  
Commission's motion to amend the complaint for injunctive and other relief, adding successor defendant Money to Lend of Louisiana, Inc., and relief defendants The Janice S. Stewart Trust, The Stewart Family Investments, L.P., Janice S, Stewart, William Joseph Stewart, John Benjamin Stewart III filed 4/1/04; Defendants' response filed 4/9/04; reply filed 5/3/04.  
Hearing on the Court's order to show cause why Ben and Joe Stewart should not be held in contempt held 4/6/04.  
Order holding the defendant John Ben Stewart, Jr., and the respondent

William Joseph Stewart in contempt and requiring each to pay a \$100,000 sanction or be incarcerated entered 4/16/04.  
Hearing on the defendant and respondent's purported inability to pay the \$100,000 sanctions held 5/10/04.  
Order incarcerating defendant John Ben Stewart, Jr. entered 5/13/04.

***FTC v. STF GROUP INC.***, No. 03-977 (N.D. Ill.)

Parties: STF Group, Inc., a/k/a STF Group, STF Group (Burlington), STF Group (Newmarket), Start to Finish Consulting Group, Inc., Start to Finish Consulting Group, Start to Finish Marketing, Inc., 1363883 Ontario Limited d/b/a STF Consolidated, Q Prompt, Inc., 487948 Ontario Limited  
1363942 Ontario Limited, d/b/a National Credit Card Security Centre, Korn Land Corporation, d/b/a National Credit Card Security Med Plan, Inc., d/b/a First Med, Inc., Medical Discount, Inc., Medplan Burlington, Medplan Mississauga, Medplan Newmarket, Medplan North York, Medplan Scollard, Chembe Management, Inc. d/b/a Medplan Scarborough, Great Sailing Management, Inc., Thunderchild Consulting, Inc., Smakk Consulting, Inc., GTCQ, Inc., Global Discount Healthcare Benefits d/b/a Global Discount Healthcare Benefits, Inc. and First Med, Inc.  
1108114 Ontario Inc.  
1349927 Ontario Inc.  
Alex Korn  
Allan Shiell  
Sean Zaichick  
Julian Shiell  
Chris Quilliam  
Nicholas Bridges

Assigned Attorneys: David A. O'Toole (MWR)  
Guy G. Ward

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with telemarketing credit card protection services.

Status: Complaint for injunctive and other equitable relief filed 2/10/03.  
TRO with asset freeze entered 2/12/03.  
TRO extended by agreement 2/25/03; 3/14/03 and 4/15/03.  
Stipulated preliminary injunction entered 5/15/03.

***FTC v. STREAMLINE INTERNATIONAL, INC.***, No. 01-6885-Civ-Marra (S.D. Fla.)

Parties: Streamline International, Inc.  
J.R. Jackson  
Robert “Bob” Waitkus

Assigned Attorneys: David Torok (BCP/MP)  
Michelle Roden

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of health-care products through a pyramid scheme.

Status: Complaint filed 5/23/01.  
Motion for preliminary injunction filed 5/30/01.  
Stipulated final judgment and order for permanent injunction as to defendant Robert Waitkus entered 2/7/02.  
Final judgment and order for permanent injunction as to defendants Streamline International and J. R. Jackson entered 3/17/04.

***FTC v. SUN SPECTRUM COMMUNICATIONS ORGANIZATION, INC.***, No. 03-81105-CIV  
(S.D. Fla.)

Parties: Sun Spectrum Communications Organization, Inc.  
North American Communications Organization, Inc.  
WWCI2002, Inc.  
9106-7843 Quebec, Inc.  
William H. Martell  
Tracey A. Bascove  
Mitchel Kastner  
Ronald Corber  
Jason Kastner

Assigned Attorneys: Robert G. Schoshinski (BCP/MP)  
Julie Bush

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule, and the Gramm-Leach-Bliley Act in connection with the sale of advance-fee credit cards.

Status: Complaint for permanent injunction and other equitable relief filed 12/2/03.  
Ex parte TRO entered 12/3/03.  
Stipulated preliminary injunction entered 2/5/04.

*FTC v. TASHMAN*, Nos. 04-10371-FF, 01-14137-HH (11th Cir.); No. 98-7058 Civ. (S.D. Fla.)

Parties:                    Stephen I. Tashman                    Stephen M. Mishkin  
                                 Ernest F. Lockamy                    Michael S. Dundee  
                                 Harris M. Cohen                      Telecard Dispensing Corp.

Assigned Attorneys: Ronald E. Laitsch (SER)  
                                 Robin Rock  
                                 Lawrence DeMille-Wagman (OGC)

Alleged Conduct:        False and deceptive claims in violation of Section 5 and the Franchise Rule in soliciting purchasers of vending machines that dispense prepaid telephone calling cards.

Status:                    Complaint filed and TRO entered 9/29/98  
                                 TRO extended by stipulation.  
                                 Stipulated preliminary injunction entered 12/21/98.  
                                 Commission's motion for summary judgment filed 12/16/99.  
                                 Motion denied by order entered 3/2/00.  
                                 Trial held 4/10-4/13/00 and 6/14-6/15/00.  
                                 Stipulated final judgment as to defendants Mishkin and Cohen filed and entered 6/14/00.  
                                 Order holding defendant Tashman in violation of one franchise count, dismissing other four counts, and requiring disgorgement of \$420,000 entered 5/24/01.  
                                 Notice of appeal by Commission filed 7/18/01.  
                                 Commission's opening brief filed 11/19/01.  
                                 Appellee's motion for remand to district court filed 12/4/01.  
                                 Appellee's brief filed 12/22/01.  
                                 Denial of motion for remand to district court entered 12/27/01.  
                                 Appellant's reply filed 1/17/02.  
                                 Commission reply brief filed 1/22/02.  
                                 Oral argument held 4/4/02.  
                                 11th Circuit order vacating the District Court's judgment and remanding for entry of a judgment in the Commission's favor and for entry of appropriate relief entered 1/24/03.  
                                 Appellees' petition for rehearing en banc filed 3/7/03; denied 4/18/03.  
                                 Mandate of Court of Appeals in district court, for entry of judgment entered 5/2/03.  
                                 Order on mandate enjoining defendant Tashman from further violating the Franchise Rule entered 11/18/03.  
                                 Notice of appeal by Commission filed 1/13/04.  
                                 Commission's opening brief filed 3/9/04.  
                                 Appellee's brief filed 5/12/04.  
                                 Commission's reply brief filed 6/1/04.

Oral argument scheduled for 10/8/04.

***FTC v. TELEPHONE PROTECTION AGENCY, INC.***, No. 5:04cv49 (W.D.N.C.)

Parties: Telephone Protection Agency, Inc.  
Robert Thompson, a/k/a Greg Thompson  
Rebecca Phillips  
Alex McKaughn

Assigned Attorneys: Russell Deitch (BCP/MP)  
Craig Tregillus

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the  
Telemarketing Sales Rule in connection with the sale of purported “do not  
call” and protection services.

Status: Complaint for injunctive and other equitable relief filed 4/20/04.

***FTC v. 3RD UNION CARD SERVICES, INC.***, No. CV-S-04-0712-RCJ-RJJ (D. Nev.)

Parties: 3rd Union Card Services Inc., d/b/a Pharmacards.com  
Helmcrest, Ltd.  
David Graham Turner  
Steve Pearson

Assigned Attorneys: Tracy S. Thorleifson (NWR)  
Mary T. Benfield

Alleged Conduct: Unfair practices in violation of Section 5 in connection with electronically  
debiting accounts without consumers’ knowledge or consent.

Status: Complaint for injunction and other equitable relief filed 5/24/04.  
TRO with asset freeze entered 5/25/04.  
Preliminary injunction as to corporate defendants with asset freeze entered  
6/25/04.

***FTC v. TREK ALLIANCE, INC.***, Nos. 03-56271, 03-56320 (9th Cir.); No. 02-9270 (C.D. Cal.)

Parties: Trek Alliance, Inc.  
Trek Education Corporation, a/k/a World Wide Video Entertainment, Inc.  
Vonflagg Corporation  
Jeffrey Kale Flagg, a/k/a Kale Flagg  
Richard Von Alvensleben, a/k/a Rich Von  
Tiffani Von Alvensleben, a/k/a Tiffani Von  
Harry M. Flagg

Assigned Attorneys: John D. Jacobs (WR-LA)  
Jennifer M. Brennan  
David C. Fix (BCP/MP)  
Marilyn E. Kerst (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of the right to participate in a network marketing program.

Status: Complaint for injunctive and other equitable relief filed 12/6/02.  
TRO with asset freeze and temporary receiver entered under seal 12/9/02.  
Ex parte application by individual defendants for discharge of the temporary receiver and to dissolve the TRO filed 12/20/02; denied 12/23/02.  
Order extending TRO entered 12/23/02 and 3/20/03.  
Preliminary injunction hearing held 6/10/03.  
Order granting preliminary injunction and appointing permanent receiver entered 6/24/03.  
Defendants' notice of appeal of the preliminary injunction filed 7/23/03.  
Defendants' notice of appeal of an order denying a motion to modify the preliminary injunction filed 7/31/03.  
Defendants' opening brief on appeal filed 8/28/03; Commission's brief filed 10/15/03.  
Memorandum disposition affirming decisions below entered 11/12/03.  
Order of recusal in the District Court entered 6/3/04.



***FTC v. TRUDEAU***, Nos. 03 C 904; 98 C 0168 (N.D.Ill.)

Parties: Kevin Trudeau  
Shop America (USA), LLC  
Robert Barefoot  
Deonna Enterprises, Inc.  
Karbo, Inc.  
Karbo Enterprises, Inc.  
Shop America Marketing Group  
TruStar Global Media  
K.T. Corp.  
TruCom, LLC

Assigned Attorneys: Laura M. Sullivan (BCP/AP)  
Daniel Kaufman

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the sale of a dietary supplement and violations of a 1998 stipulated order for permanent injunction and final judgment against Kevin Trudeau.

Status: Complaint for permanent injunction and other equitable relief filed 6/9/03.  
Contempt motion against Kevin Trudeau (98 C 168) filed 6/9/03; response filed 7/9/03; reply filed 7/17/03.  
Stipulated TRO as to Shop America (USA), LLC entered 6/12/03.  
Stipulated TRO as to Kevin Trudeau (98 C 168) entered 6/16/03.  
Stipulated preliminary injunction as to defendants Robert Barefoot, Deonna Enterprises, Inc., and Karbo, Inc. entered 6/24/03.  
Stipulated preliminary injunction as to defendants Kevin Trudeau and Shop America (USA), LLC entered 7/1/03.  
Stipulated preliminary injunction as to defendant Kevin Trudeau in the contempt matter (98 C 168) entered 7/1/03.  
Amended complaint for permanent injunction and other equitable relief, adding liability defendants Karbo Enterprises, Inc., Shop America Marketing Group, TruStar Global Media and relief defendants K.T. Corp. and TruCom, LLC, filed 11/16/03; entered 11/30/03.  
Stipulated final order for permanent injunction and settlement of claims for monetary relief as to defendants Robert Barefoot, Deonna Enterprises, Inc., and Karbo Enterprises, Inc. entered 1/15/04.  
Order finding defendant Kevin Trudeau in civil contempt of the preliminary injunction entered 6/29/04.  
Trial date postponed indefinitely.

***FTC v. UNICYBER TECHNOLOGY, INC.***, No. CV04-1569 LGB (MANx) (C.D. Cal.)

Parties: Unicyber Technology, Inc.  
Unicyber Gilboard, Inc.  
Chul K. Han  
URI Technology, Inc.  
URI Communications, Inc

Assigned Attorneys: Jennifer M. Brennan (WR-LA)  
Kenneth H. Abbe

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of computer systems.

Status: Complaint for injunctive and other equitable relief filed 3/9/04.  
TRO with asset freeze entered 3/12/04.  
Stipulated preliminary injunction entered 3/22/04.  
First amended complaint for injunctive and other equitable relief, adding defendants URI Technology, Inc. and URI Communications, Inc., filed 3/30/04.  
Default as to all defendants entered 5/12/04.

***FTC v. U.S. GRANT RESOURCES, LLC***, No. 04-0596 (E.D. La.)

Parties: U.S. Grant Resources, LLC  
National Grants, LLC  
John B. Rodgers  
Laurel A. Rodgers

Assigned Attorneys: W. David Griggs (SWR)  
Susan A. Arthur

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the offering of advance-fee grant applications.

Status: Complaint for injunctive and other relief filed 3/2/04.  
Ex parte TRO entered 3/2/04.  
Preliminary injunction entered 4/23/04.

***FTC v. VECTOR DIRECT MARKETING, LLC***, No. CV-04-0095 PHX SMM (D. Ariz.)

Parties: Vector Direct Marketing, LLC  
Mike Stafford  
Lisa Miller

Assigned Attorneys: Eleanor Durham (NWR)  
Mary Benfield

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of services purported to stop telemarketing solicitations and to protect consumers' personal information from fraud.

Status: Complaint filed 1/15/04.  
TRO with asset freeze entered 1/21/04.  
Stipulated preliminary injunction as to Lisa Miller entered 1/30/04.  
Stipulated extension of TRO as to defendant Mike Stafford entered 1/30/04.  
Default preliminary injunction as to defendant Vector Direct Marketing, LLC entered 1/30/04.  
Stipulated preliminary injunction as to defendant Mike Stafford entered 2/16/04.  
Default judgment as to defendant Vector Direct Marketing, LLC entered 4/16/04.  
Stipulated permanent and final judgment as to defendants Mike Stafford and Lisa Miller entered 6/29/04.

***FTC v. VEGA***, No. H-04-1478 (S.D. Tex.)

Party: Esteban Barrios Vega, d/b/a EBV Promotions, Paymentech Promotions, and Promotions of Service

Assigned Attorney: Gregory A. Ashe (BCP/ENF)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of work-at-home business opportunities.

Status: Complaint for injunction and other equitable relief filed 4/14/04.  
  
TRO with asset freeze entered 4/15/04.  
Order for preliminary injunction entered 4/23/04.  
Stipulated final order for permanent injunction and settlement of claims entered 6/8/04.

***FTC v. VERITY INTERNATIONAL, LTD.***, No. 01-6130 (2d Cir.); No. 00 CIV 7422  
(S.D.N.Y.)

Parties: Verity International, Ltd.  
Automatic Communications Limited  
Integretel, Inc.  
eBillit, Inc.  
Robert Green  
Marilyn Shein

Assigned Attorneys: Lawrence Hodapp (BCP/MP)  
David M. Torok  
Marilyn E. Kerst (OGC)

Alleged Conduct: Deceptive and unfair practices in violation of Section 5 in connection with the billing of international calls over the Internet.

Status: Complaint filed and ex parte TRO entered 10/2/00.  
Opinion granting preliminary relief entered 12/14/00.  
Preliminary injunction entered 1/4/01.  
Application for an order to show cause why defendants R. Green and M. Shein should not be held in civil contempt filed 1/31/01.  
Second amended complaint adding defendant Automatic Comm. Ltd. filed 2/27/01.  
Opinion holding defendants R. Green and M. Shein in civil contempt and ordering fines, arrest, and civil commitment, 5/1/01.  
Cross-motion to partially vacate or modify preliminary injunction order filed 3/27/01; denied 5/14/01.  
Motion to modify preliminary injunction, including its extension to ACL, filed 4/3/01; granted in part 5/14/01.  
Notice of appeal of order denying motion to vacate or modify preliminary injunction by defendants Verity International, Robert Green and Marilyn Shein filed 6/8/01; appeal dismissed 7/8/04.  
Order in district court inviting Federal Communication Commission to file amicus brief on certain jurisdictional issues and directing Commission to provide relevant documents entered 1/18/02.  
FCC amicus brief on jurisdictional issues filed 2/27/02.  
Stipulated final judgment and order for permanent injunction as to defendants Integretel, Inc. and eBillit, Inc. signed 11/21/02; entered 12/2/02.

***FTC v. VINYARD ENTERPRISES***, No. 03-23291-CIV-ALTONAGA/BANDSTRA (S.D. Fla.)

Parties: Vinyard Enterprises, d/b/a Comfort Castle Enterprises  
Sunshine Advertising & Marketing, Inc., d/b/a Dynamic Data Services  
Ray A. Thompson  
Judith Livingston, d/b/a Direct Business Services and Dynamic Data  
Jason Lunan, d/b/a Dynamic Data Express and Comfort Castle Associates

Assigned Attorneys: Colleen B. Robbins (BCP/MP)  
Gary L. Ivens

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of  
purported work-at-home opportunities.

Status: Complaint for permanent injunction and other equitable relief filed  
12/10/03.  
Ex parte TRO with asset freeze entered 12/11/03.  
Stipulated preliminary injunction with asset freeze entered 12/22/03.

***FTC v. WEST COAST ADVERTISING & MARKETING, INC.***, No. 03-CV-0980 IEG (POR)  
(S.D. Cal.)

Parties: West Coast Advertising & Marketing, Inc.  
Mike S. Thomas  
Mark A. Christiansen

Assigned Attorneys: Eleanor Durham (NWR)  
Thomas P. Rowan

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the  
solicitation of donations for non-profit entities.

Status: Complaint filed 5/14/03.  
Stipulated preliminary injunction as to defendants Mike S. Thomas and  
Mark A. Christiansen entered 6/4/03.  
Preliminary injunction as to West Coast Advertising & Marketing, Inc.  
entered 6/30/03.

***FTC v. WESTBY***, No. 03C-2540 (N.D. Ill.)

Parties: Brian D. Westby  
Martijn Bevelander  
Maps Holding B.V.  
PB Planning & Services B.V.

Assigned Attorney: Steven M. Wernikoff (MWR)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the use of spam to direct traffic to adult web sites.

Status: Complaint for injunctive and other relief filed 4/15/03.  
Stipulated order of preliminary injunction entered 4/22/03.  
Amended complaint adding defendants Martijn Bevelander, Maps Holding B.V., and PB Planning & Services B.V. filed 9/16/03.  
Dismissal of PB Planning & Services B.V. without prejudice entered 3/4/04.  
Stipulated final judgment and order for permanent injunction as to Brian Westby, Martijn Bevelander, and Maps Holding B.V. entered 3/5/04.

***FTC v. WORLD MEDIA BROKERS INC.***, No. 02C-6985 (N.D. Ill.)

Parties: World Media Brokers Inc., a/k/a 913062 Ontario Inc.  
1165107 Ontario Inc., also d/b/a Canadian Catalogue, Canadian Catalogue  
Services, CCS, and Interwin Marketing  
Faby Games Inc., a/k/a 1106759 Ontario Inc., also d/b/a Canadian  
Catalogue Services, and CCS  
624654 Ontario Limited, also d/b/a Express Sales, Express Marketing  
Services, EMS, and First Telegroup Marketing  
637736 Ontario Limited, also d/b/a Express Marketing Services and EMS  
537721 Ontario Inc., also d/b/a Canadian Express Club  
Express Marketing Services LTD., also d/b/a EMS  
Cash & Prizes, Inc.  
Intermarketing Services, Inc.  
George Yemec  
Anita Rapp  
Steven Rapp  
Paul Teskey  
Jean-Paul Teskey  
Dean Temple

Assigned Attorney: David O'Toole (MWR)  
Imad D. Abyad (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales  
Rule in connection with the telemarketing of foreign lottery tickets and  
sweepstakes.

Status: Complaint filed 9/30/02.  
TRO entered 10/1/02.  
Stipulated preliminary injunctions entered 11/26/02.  
Commission's motion to strike defendants' jury demand and affirmative  
defenses filed 4/7/03; granted 6/26/03.  
Commission's motion for partial summary judgment filed 8/19/03.  
Stipulation of dismissal concerning defendant Paul Teskey entered  
11/12/03.  
Stipulation of dismissal concerning defendant Jean-Paul Teskey entered  
11/12/03.  
Order granting Commission's motion for partial summary judgment as to  
liability against defendants George Yemec, Anita Rapp, and the  
Canadian corporate defendants entered 3/1/04.  
Order for permanent injunction and other relief, including redress in the  
amount of \$19 million, entered 6/22/04.

**CIVIL PENALTY AND ENFORCEMENT CASES\***

**(A) Consumer Protection**

***UNITED STATES v. AMERICAN VENDING VENTURES GROUP, INC.***, No. 02-CV-21766  
(S.D. Fla.)

Parties: American Vending Ventures Group, Inc.  
Jamie Hagen  
Leland Balber  
Peter Abrams

Assigned Attorneys: Colleen Robbins (BCP/MP)  
Jeffrey Steger (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive, and other relief for violations of the Franchise Rule in connection with personal care product vending machine business ventures.

Status: Complaint for civil penalties, consumer redress, permanent injunction, and other equitable relief filed 6/12/02.  
Motion by the United States for summary judgment as to liability filed 2/28/03.  
Response by Peter Abrams to motion for summary judgment as to liability filed 3/14/03.  
Reply by the United States in support of motion for summary judgment filed 3/21/03.  
Summary judgment against Leland Balber and American Vending Ventures Group, Inc. entered 4/2/03.  
Bench trial as to defendant Abrams held 4/15/03-4/16/03.  
Stipulated judgment and order for permanent injunction against Jamie Hagan entered 11/18/03.

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\* Includes all suits in which civil penalties are sought; consumer redress, injunctions, and ancillary equitable relief may also be sought.



**UNITED STATES v. BONZI SOFTWARE, INC.**, No. CV-04-1048 RJK (Ex) (C.D. Cal.)

Party: Bonzi Software, Inc.

Assigned Attorney: Laura M. Sullivan (BCP/AP)  
Elizabeth Stein (DOJ/CIV)

Alleged Conduct: Violations of the Children's Online Privacy Protection Rule and Section 5 in connection with the online registration of a software product.

Status: Complaint for civil penalties, injunctive and other relief filed 2/17/04.  
Consent decree for civil, injunctive, and other relief entered 3/9/04.

**UNITED STATES v. CAPITAL ACQUISITIONS AND MANAGEMENT CORP.**, No. 04 C 50147 (N.D. Ill.)

Parties: Capital Acquisitions and Management Corp.  
RM Financial Services, Inc.  
Reese Waugh  
Jerome Kuebler  
Scott R. Franson  
Mario Bianchi

Assigned Attorneys: Nadine Samter (NWR)  
Monica V. Mallory (AUSA)

Alleged Conduct: Violations of the Fair Debt Collection Practices Act.

Status: Complaint for civil penalties, injunctive, and other relief filed 3/24/04.  
Consent decree, requiring a civil penalty of \$300,000, entered 3/24/04.

**UNITED STATES v. FAIRBANKS CAPITAL CORP.**, No. 04-1814 (1st Cir.); No. 03-12219  
(D. Mass.)

Parties: Fairbanks Capital Corp.  
Fairbanks Capital Holding Corporation  
Thomas D. Basmajian  
Department of Housing and Urban Development (co-plaintiff)

Assigned Attorneys: Lucy E. Morris (BCP/FP)  
Eric Imperial  
Allison I. Brown  
Anita Johnson (AUSA)  
Imad D. Abyad (OGC)

Nature of Action: Unfair and deceptive practices in violation of Section 5, the Fair Debt Collection Practices Act, the Fair Credit Reporting Act, and the Real Estate Settlement Procedures Act in connection with the provision of financial services primarily in the “subprime” market.

Status: Complaint for permanent injunction and other equitable relief and monetary civil penalties filed 11/12/03.  
Stipulated final judgment and order as to Fairbanks Capital Corp. and Fairbanks Capital Holding Corp., including \$40 million in consumer redress, entered 11/25/03.  
Stipulated final judgment and order as to Thomas D. Basmajian, including \$400,000 in consumer redress, entered 11/25/03.  
Notice of appeal in related class action proceeding filed 6/8/04.  
Appeal docketed in Commission’s case 6/30/04.

**UNITED STATES v. LASSETER**, No. 03-CV-1177 (M.D. Tenn.)

Party: Robert Lasseter, d/b/a CompuChild USA, Inc.

Assigned Attorneys: Steven Toporoff (BCP/MP)  
Michael L. Roden (AUSA)

Nature of Action: Violations of the Franchise Rule in connection with the sale of computer-education services franchises.

Status: Complaint for civil penalties, permanent injunction, and other equitable relief filed 12/10/03.

**UNITED STATES v. LEVEY**, No. CV-03-4670 GAF (AJWx) (C.D. Cal.)

Parties: Michael S. Levey  
Gary Ballen  
Bentley Myers International Co.  
Publisher's Data Services, Inc.  
Nutritional Life, Inc.

Assigned Attorneys: Robin M. Richardson (BCP/ENF)  
Elena Paoli

Alleged Conduct: Deceptive practices in violation of Section 5 and a prior FTC Order in connection with the sale of dietary supplements and other health-related products.

Status: Complaint for civil penalties, injunctive and other relief filed 6/30/03.  
Suggestion of death upon the record of Michael S. Levey filed 8/7/03.  
Stipulation and order extending time to answer complaint entered 9/4/03.  
Amended complaint for civil penalties, injunctive, and other relief,  
substituting as a defendant Lisa Levey for Michael Levey after his  
death filed 3/9/04.  
Consent decree, including \$2.2 million in consumer redress, entered  
3/12/04.

**UNITED STATES v. MANTRA FILMS, INC.**, No. CV03-9184 RSWL (MANx) (C.D. Cal.)

Parties: Mantra Films, Inc.  
Joseph R. Francis

Assigned Attorneys: Edwin Rodriguez (BCP/ENF)  
Amy Lloyd  
Mark L. Josephs (DOJ/CIV)

Alleged Conduct: Unfair and deceptive practices in violation of Section 5, the Electronic Fund Transfer Act and Regulation E, the Unordered Merchandise Statute, and prior Commission determinations in connection with the sale of tapes and DVDs.

Status: Complaint for civil penalties, permanent injunction, and other relief filed  
12/16/03.  
Order staying deadlines due to tentative settlement entered 4/30/04.

***UNITED STATES v. NCO GROUP, INC.***, No. 04-2041 (E.D. Pa.)

Parties: NCO Group, Inc.  
NCO Financial Systems, Inc.  
NCO Portfolio Management, Inc.

Assigned Attorneys: William Haynes (BCP/FP)  
Anne McCormick  
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive, and other relief for violations of the Fair Credit Reporting Act in connection with debt collection.

Status: Complaint for civil penalties, injunctive, and other equitable relief filed 5/12/04.  
Consent decree, including a civil penalty in the amount of \$1.5 million, entered 5/20/04.

**UNITED STATES v. PERFUMES UNLIMITED, INC.**, No. 02-21767 (S.D. Fla.)

Parties: Perfumes Unlimited, Inc.  
Ignacious Goldenberger, a/k/a Goldemberg a/k/a Ignacio Goldenberg  
Lon Finkelstein  
Robert Duke

Assigned Attorneys: Colleen Robbins (BCP/MP)  
Richard Goldberg (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive, and other relief for violations of the Franchise Rule and Section 5 in connection with perfume and cologne display rack business ventures.

Status: Complaint for civil penalties, consumer redress, permanent injunction, and other equitable relief filed 6/12/02.  
Motion by the United States for leave to amend complaint filed 11/1/02.  
Order to show cause why the motion for leave to join additional defendants Lon Finkelstein and Robert Duke should not be granted by default entered 12/16/02.  
Amended complaint, adding defendants Lon Finkelstein and Robert Duke, filed 1/17/03.  
United States' motion for summary judgment as to defendant Robert Duke's liability filed 9/15/03.  
Stipulated judgment against defendant Lon Finkelstein entered 9/17/03.  
Order staying case as to defendant Ignacio Goldenberg entered 10/19/03.  
Final order against Robert Duke entered 3/17/04.  
Final order against Perfumes Unlimited, Inc. and Ignacio Goldenberg entered 3/18/04.

**UNITED STATES v. PLETSCHKE**, No. 1:03 CV 214-T (W.D.N.C.)

Party: Kris A. Pletschke, d/b/a Raw Health

Assigned Attorneys: Adam Fine (BCP/ENF)  
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of a previous Commission order in connection with the sale of foods and dietary supplements.

Status: Complaint for civil penalties, injunctive and other relief filed 8/26/03.  
Defendants' motion to dismiss filed 10/28/03; United States' response filed 11/14/03; Order denying motion to dismiss entered 1/27/04.  
Defendants' petition for writ of prohibition in U.S. Court of Appeals filed 2/11/04.  
United States' request to enter default filed 2/25/04.  
Default entered 3/1/04.  
Defendant's petition for writ of prohibition to the U.S. Court of Appeals denied 5/5/04.

**UNITED STATES v. PROCHNOW**, No. 1 02-CV-917 (N.D. Ga.)

Parties: Richard L. Prochnow  
Dennis H. Goughion  
Ronald Altbach  
Media Outsourcing, Inc.  
Cross Media Marketing Corporation

Assigned Attorneys: James Prunty (BCP/ENF)  
Louise R. Jung  
Robert M. Frisby  
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of Section 5, the Telemarketing Sales Rule, and a prior FTC cease and desist order.

Status: Complaint filed 4/9/02.  
Stipulated final order for permanent injunction and civil penalties as to defendants Media Outsourcing, Inc., Cross Media Marketing Corp., and Dennis H. Gougion, including payment of \$350,000 in civil penalties, entered 6/9/03.  
Complaint as to defendant Ronald Altbach dismissed by stipulation of all parties 6/30/03.

**UNITED STATES v. QVC, INC.**, No. 04-CV-01276-JF (E.D. Pa.)

Party: QVC, Inc.

Assigned Attorneys: Louise R. Jung (BCP/ENF)  
Melissa Hart

Nature of Action: Violations of the Commission's order and Sections 5 and 12 of the FTC Act in connection with sales of a variety of products through its television home shopping network.

Status: Complaint for civil penalties, injunctive and other relief filed 3/24/04.  
Third-party complaint by QVC against Vitaquest Internationa, Inc., Shari Lieberman, Bee-Alive, Inc., Madeline Balletta, Nutrition 21, Inc., and Sanofi-Synthelabo, Inc. filed 4/14/04.  
Third-party defendants' motion to dismiss and strike third-party complaint filed 6/9/04.

***UNITED STATES v. STEWART***, No. 03-60237-CIV-Altonaga (S.D. Fla.)

Party: Grover Stewart, a/k/a Lee Stewart

Assigned Attorneys: Colleen Robbins (BCP/MP)  
Richard Goldberg (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive, and other relief for violations of Section 5 and the Franchise Rule in connection with cigar distributorship business ventures.

Status: Complaint for civil penalties, consumer redress, permanent injunction, and other equitable relief filed 2/21/03.  
Stipulated judgment and order for permanent injunction entered 3/29/04.

***UNITED STATES v. TACTICA INTERNATIONAL, INC.***, No. 04 CV 3038 (S.D.N.Y.)

Party: Tactica International, Inc., d/b/a IGIA and IGIA.com

Assigned Attorneys: Joel N. Brewer (BCP/ENF)  
Lara K. Eshkenazi (AUSA)

Nature of Action: Action for civil penalties, injunctive, and other relief for violations of the Mail or Telephone Order Merchandise Rule in connection with the sale of health and personal grooming items.

Status: Complaint for civil penalties, injunctive, and other equitable relief filed 4/21/04.  
Consent decree, including a civil penalty in the amount of \$300,000, entered 5/24/04.



***UNITED STATES v. TELEMARKETING, INC.***, No. C 04 1083 JCS (N.D. Cal.)

Parties: Telemarketing, Inc., d/b/a Univoxx  
Apex Investments, LLC, d/b/a Operator Directory Service and  
Northwestern Atlantic  
Universal Innovations, LLC  
Thomas Gregory Parrish  
Sean K. Angeletti  
John P. Starrs

Assigned Attorneys: Laura Fremont (WR-SF)  
Dean C. Graybill  
Joann M. Swanson (AUSA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Pay-Per-Call Rule in  
connection with the sale of pay-per-call services.

Status: Complaint for civil penalties, redress, injunctive and other relief filed  
3/18/04.  
Stipulated final judgment and order for permanent injunction and other  
equitable relief entered 4/1/04.

**(B) Competition**

***UNITED STATES v. GATES***, No. 04 0721 CKK (D.D.C.)

Party: William H. Gates III

Assigned Attorneys: Kenneth A. Libby (BC)  
Daniel P. Ducore

Nature of Action: Complaint for civil penalties for failure to comply with the premerger reporting requirements of the Hart-Scott-Rodino Act.

Status: Complaint filed 5/3/04.  
Stipulation and final judgment that requires an \$800,000 civil penalty entered 5/4/04.

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***FTC v. RHI AG***, No. 04-524 RCL (D.D.C.)

Party: RHI AG

Assigned Attorneys: Arthur M. Strong (BC)  
Daniel P. Ducore

Alleged Conduct: Action for civil penalties for violations of a final order to cease and desist issued by the FTC.

Status: Complaint filed 3/31/04.  
Consent order, requiring a civil penalty of \$650,000 entered 4/2/04.

**SUBPOENA AND CID ENFORCEMENT PROCEEDINGS\***

(None pending)

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\* Includes suits to enforce compliance with waiting periods prescribed by Section 7A of the Clayton Act, 15 U.S.C. § 18a.

**SUITS TO ENJOIN FTC ACTION AND OTHER DEFENSIVE LITIGATION**

***AMERICAN BAR ASSOCIATION v. FTC***, No. 02-1883 (RBW) (D.D.C.)

Party: American Bar Association

Assigned Attorneys: Michael D. Bergman (OGC)  
Brian Sonfield (AUSA)

Nature of Acton: Action for declaratory relief challenging the Commission's refusal to grant an exception to certain members of the Bar from the privacy provisions set forth in Title V of the Gramm-Leach-Bliley Act.

Status: Complaint filed 9/25/02.  
Commission's motion to dismiss filed 12/9/02.  
Plaintiff's opposition to motion to dismiss filed 1/10/03.  
Amicus brief of state bar associations filed 1/28/03.  
Amicus brief of Conference of Chief Justices (CCJ) filed 2/21/03.  
Commission's reply in support of motion to dismiss filed 2/25/03.  
Commission's response to CCJ amicus brief filed 3/4/03.  
Hearing on motion to dismiss held 6/2/03.  
Memorandum opinion and order denying Commission's motion to dismiss filed 8/11/03.  
Plaintiff's motion for summary judgment filed 9/26/03.  
Commission's cross-motion for summary judgment filed 10/24/03.  
Plaintiff's opposition/reply brief in support of motion for summary judgment filed 11/18/03.  
Commission's reply brief in support of cross-motion for summary judgment filed 12/9/03.  
Order granting plaintiff's motion for summary judgment and denying Commission's cross-motion entered 4/30/04.  
Judgment granting motion for declaratory judgment entered 5/12/04.

**BAKER v. FAIR ISAAC & COMPANY, et al.**, No. 03-CV-525 PCT-RCB (D. Ariz.)

Parties: Christine Baker (plaintiff) John Does 1-20 (defendants)  
Fair Isaac & Company, Inc. (defendant) Barry Paperno (defendant)  
Thomas G. Grudnowski (defendant) James McAfee (defendant)  
Thomas J. Quinn (defendant) Tom Chapman (defendant)  
Trans Union LLC (defendant) Harry Gambill (defendant)  
Credit Data Southwest, Inc. (defendant) Craig Smith (defendant)  
Consumerinfo.com (defendant) Compass Bank (defendant)  
Pacific Bell (defendant) Verizon Wireless (defendant)  
T-Mobile (defendant) Capital One (defendant)  
Household (defendant) Providian (defendant)  
American Credit Agencies, Inc. (defendant) Tom Wells (defendant)  
Professional Recovery Systems (defendant)  
Robert Gray, a/k/a Bobby Grantham (defendant)  
Federal Trade Commission (defendant)  
Federal Communications Commission (defendant)  
Experian Information Solutions, Inc. (defendant)  
Equifax Credit Information Services (defendant)  
Federal Reserve Bank of Richmond (defendant)  
Nelnet Loan Services, Inc., d/b/a Nelnet Corporation (defendant)

Assigned Attorneys: Marilyn Kerst (OGC)  
Suzanne Chenoweth (AUSA)

Nature of Action: Action against credit reporting agencies and other parties, seeking (as to the FTC) actual, statutory, and punitive damages, costs and attorneys' fees, based on the FTC's alleged failure to enforce the Fair Credit Reporting Act and Fair Debt Collection Practices Act and for an injunction directing the FTC to enforce those acts in specified ways.

Status: Complaint filed 3/19/03.  
Summons issued 9/11/03.  
Motion to dismiss filed 12/22/03; plaintiff's opposition filed 2/4/04; reply filed 2/12/04.  
Order of dismissal entered 5/3/04.

***THE LAKIN LAW FIRM PC v. FTC***, No. 03-1689 (7th Cir.); No. 02-1121-DRH (S.D. Ill.)

Party: The Lakin Law Firm PC

Assigned Attorneys: Marilyn Kerst (OGC)  
Alysa Stiefel

Nature of action: Action under the Freedom of Information Act and the Administrative Procedure Act.

Status: Complaint filed 11/02/02.  
Commission's motion to dismiss filed 12/05/02.  
Plaintiff's opposition to motion to dismiss filed 12/12/02.  
Commission's reply in support of motion to dismiss filed 12/20/02.  
Commission's motion for a protective order filed 12/31/02.  
Plaintiff's response filed 1/9/03.  
Order granting motion to dismiss and judgment in favor of the Commission, dismissing the case with prejudice, entered 3/4/03.  
Plaintiff's notice of appeal filed 3/11/03.  
Appellant's brief filed 4/28/03.  
Commission's brief filed 5/28/03.  
Oral argument held 9/22/03.  
Opinion of the court affirming the judgment below entered 12/16/03.  
Petition for rehearing and for rehearing en banc filed 1/12/04.  
Order denying rehearing and rehearing en banc entered 2/11/04.  
Petition for certiorari filed 4/22/04; denied 6/14/04.

***LOCKS LAW FIRM, PLLC v. FTC, ET AL.***, No. 04 cv 3791 (MBM) (S.D.N.Y.)

Party: Locks Law Firm, PLLC

Assigned Attorneys: Marilyn E. Kerst (OGC)  
Sarah E. Light (AUSA)

Nature of Action: Action under the Freedom of Information Act.

Status: Complaint filed 5/19/04.

***MAINSTREAM MARKETING SERVICES, INC., et al. v. FTC***, No. 04-1552 (S. Ct.); No. 03-1429 (10th Cir.); No. 03-N-184 (D. Colo.)

Parties: Mainstream Marketing Services, Inc. (plaintiff)  
TMG Marketing, Inc. (plaintiff)  
American Teleservices Association (plaintiff)  
Timothy Muris (defendant)  
Sheila Anthony (defendant)  
Mozelle Thompson (defendant)  
Orson Swindle (defendant)  
Thomas Leary (defendant)  
J. Howard Beals (defendant)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Suit challenging the amendments to the Telemarketing Sales Rule.

Status: Complaint filed 1/29/03.  
Plaintiff's motion for summary judgment filed 5/2/03.  
Commission's opposition to plaintiff's motion for summary judgment and cross-motion for summary judgment filed 5/30/03.  
Plaintiff's reply in support of their motion for summary judgment and opposition to Commission's cross-motion for summary judgment filed 6/18/03.  
Commission's reply in support of their cross-motion for summary judgment filed 7/2/03.  
Plaintiffs' and Commission's supplementary motions for summary judgment filed 8/21/03.  
Order holding the do-not-call rule unconstitutional; upholding prohibition on abandoned calls entered 9/25/03.  
Commission's notice of appeal filed 9/26/03.  
Commission's emergency motion for stay pending appeal filed 9/26/03; plaintiffs' opposition filed 9/29/03; district court order denying stay entered 9/29/03.  
Commission's motion before the court of appeals for a stay pending appeal of the district court's order filed 9/30/03; plaintiff's opposition filed 10/1/03; granted 10/7/03.  
Brief amicus curiae by 45 states, D.C., and Puerto Rico in support of the Commission's motion for a stay filed 9/30/03.  
Plaintiffs' opposition to stay filed 10/1/03.  
Commission's reply in support of a stay filed 10/1/03.  
Orders requiring the parties to submit position regarding consolidation of case with *U.S. Security* appeal and FCC petition entered 10/1/03.  
Orders from the Court of Appeals, consolidating this case with *US Security v. FTC* and with two FCC cases (*Mainstream Marketing*

*v. FCC, Competitive Telecommunications Ass'n v. FCC* entered 10/7/03 and 10/8/03.  
Consolidated opening brief of appellant Federal Trade Commission, respondent Federal Communications Commission, and respondent-intervenor United States of America filed 10/17/03.  
Consolidated response brief of appellees filed 10/31/03.  
Consolidated reply brief of appellants, and respondent-intervenor filed 11/7/03.  
Oral argument held 11/10/03.  
Surreply by Mainstream Marketing filed 11/14/03.  
Opinion of the Court of Appeals reversing the judgments of the district courts and denying the telemarketers' petitions for review entered 2/17/04.  
Mainstream Marketing's petition for a writ of certiorari filed 5/14/04.  
Commission's response due 7/19/04.

***NATIONAL FEDERATION OF THE BLIND v. FTC***, No. 04-1378 (4th Cir.); No. JFM 03 CV 963 (D. Md.)

Parties: National Federation of the Blind  
Special Olympics of Maryland, Inc.

Assigned Attorney: Michael D. Bergman

Nature of Action: Suit challenging amendments to the Telemarketing Sales Rule.

Status: Complaint filed 4/2/03.  
Commission's answer filed 6/16/03.  
Plaintiff's motion for summary judgment filed 9/29/03.  
Commission's cross-motion for summary judgment and opposition to plaintiff's motion for summary judgment filed 11/24/03.  
Plaintiff's response/reply brief in support of motion for summary judgment filed 12/15/03.  
Commission's reply brief in support of cross-motion for summary judgment filed 1/5/04.  
Hearing on parties' cross-motions for summary judgment held 2/19/04.  
Memorandum and order granting Commission's motion for summary judgment and denying plaintiffs' motion for summary judgment entered 2/24/04.  
Notice of appeal filed 3/22/04.  
Appellants' brief filed 5/25/04.  
Commission's brief due 7/19/04.

***NEW YORK STATE BAR ASSOCIATION v. FTC***, No. 02-810 (RBW) (D.D.C.)

Party: New York State Bar Association (plaintiff)

Assigned Attorneys: Michael D. Bergman (OGC)  
Brian J. Sonfield (AUSA)

Nature of Action: Action for declaratory judgment challenging the Commission's refusal to grant an exception to lawyers from the privacy requirements of the Gramm-Leach-Bliley Act and implementing regulations.

Status: Complaint filed 4/29/02.  
Commission's motion to dismiss filed 7/1/02.  
Plaintiff's opposition to motion to dismiss filed 9/16/02.  
Amici brief in support of plaintiff's opposition filed 9/30/02.  
Commission's response to amici brief filed 10/2/02.  
Commission's reply in support of motion to dismiss filed 11/18/02.  
Plaintiff's surreply filed 11/27/02.  
Commission's response to plaintiff's surreply filed 12/11/02.  
  
Hearing on motion to dismiss held 6/2/03.  
Memorandum opinion and order denying Commission's motion to dismiss filed 8/11/03.  
Plaintiff's motion for summary judgment filed 9/26/03.  
Commission's cross-motion for summary judgment filed 10/24/03.  
Plaintiff's opposition/reply brief in support of motion for summary judgment filed 11/18/03.  
Commission's reply brief in support of cross-motion for summary judgment filed 12/9/03.  
Order granting plaintiff's motion for summary judgment and denying Commission's cross-motion entered 4/30/04.  
Judgment granting motion for declaratory judgment entered 5/12/04.



**AMICUS CURIAE BRIEFS or PARTIAL INTERVENTIONS**

***3M COMPANY v. LEPAGE'S INCORPORATED***, No. 02-1865 (S. Ct.)

Assigned Attorneys: John F. Daly (OGC)  
Catherine G. O'Sullivan (DOJ/ATR)  
David Seidman

Nature of Action: Petition for certiorari from the Third Circuit's en banc decision upholding a jury verdict of monopolization, based on a bundled rebate program.

Status: Brief for the United States as amicus curiae, urging the court to deny certiorari filed 5/28/04.  
Writ of certiorari denied 6/30/04.

***BRENTWOOD ACADEMY v. TENNESSEE SECONDARY SCHOOL ATHLETIC ASSOCIATION***, Nos. 03-5245, 03-5278 (6th Cir.)

Assigned Attorney: Michele Arington (OGC)

Nature of Action: Private action against a state interscholastic athletic association alleging constitutional and antitrust violations.

Status: Brief of Commission as amicus curiae urging reversal of district court ruling that the association is exempt from the federal antitrust laws under the state action doctrine filed 11/13/03.

**CASS v. AMERIDEBT, INC.**, No. 01 Ch 20350 (Cook County Cir., Ill.)

Parties: Michael Cass (plaintiff)  
Derek Huggins  
Ameridebt Inc. (defendant)  
DebtWorks, Inc.  
Infinity Resources Group, Inc.  
Debticated Consumer Counseling, Inc.  
The Ballenger Group, LLC  
Ballenger Holdings, LLC  
Andris Pukke  
Eriks Pukke

Assigned Attorneys: Lucy E. Morris (BCP/FP)  
Allison I. Brown  
Maiysha R. Branch  
James Silver  
David O'Toole (MWR)

Nature of Action: Class action settlement in connection with the offering of debt negotiation services.

Status: Federal Trade Commission's emergency petition to intervene filed 4/13/04.  
Intervenor Federal Trade Commission's motion for stay and reconsideration of order preliminary approving stipulation of settlement and release and class notice filed 4/13/04.  
Order staying notice of settlement mailings and setting briefing schedule on petitions to intervene entered 4/13/04.  
Order granting petition to intervene and setting briefing schedule on motions for reconsideration entered 5/11/04.  
Plaintiffs' response to intervenor's motions for reconsideration of the court's preliminary approval order filed 6/15/04.  
Defendants' joint response to the objections of various intervenors and amicus filers filed 6/15/04.  
Intervenor FTC's reply in support of its motion for reconsideration filed 7/15/04.

***COLE v. U.S. CAPITAL, INC.***, et al, No. 03-3331 (7th Cir.)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Appeal from district court dismissal of a complaint by a consumer alleging that a car dealership improperly obtained her consumer report, for failure to state a claim under the Fair Credit Reporting Act.

Status: Brief of Federal Trade Commission as amicus curiae in support of plaintiff, urging reversal, filed 4/15/04.

***EMPAGRAN S.A., ET AL. v. F. HOFFMANN-LAROCHE, LTD.***, No. 03-724 (S. Ct.);  
No. 01-7115 (D.C. Cir.)

Assigned Attorney: John F. Daly (OGC)  
Catherine G. O'Sullivan (DOJ/ATR)

Nature of Action: Private antitrust action, raising issues regarding the reach of the Sherman Act to foreign transactions that do not themselves have an effect on the U.S. commerce.

Status: Brief for the United States and the Federal Trade Commission as amici curiae in support of petition for rehearing en banc filed 3/24/03.  
Petition for rehearing en banc denied 9/11/03.  
Petition for certiorari filed 11/13/03.  
Certiorari granted 12/15/03.  
Oral argument held 4/26/04.  
Supreme Court ruling reversing the court of appeals issued 6/14/04.  
Court of appeals' order for supplemental briefing on reversed question issued 6/21/04.

***JACKSON, TENNESSEE HOSPITAL COMPANY, LLC v. WEST TENNESSEE HEALTHCARE, INC.***, No. 04-5387 (6th Cir.)

Assigned Attorney: John F. Daly (OGC)  
Catherine G. O'Sullivan (DOJ/ATR)  
David Seidman

Nature of Action: Appeal of a district court's dismissal of private antitrust claims on state action grounds.

Status: Brief for the United States and the Federal Trade Commission as amici curiae urging reversal filed 6/1/04.

***McMAHON v. ADVANCED TITLE SERVICES COMPANY OF WEST VIRGINIA,***  
No. 032853 (S. Ct. W. Va.)

Assigned Attorneys: Maureen K. Ohlhausen (OPP)  
Stephen M. Horn (AUSA)

Nature of Action: Private action regarding whether non-lawyers who perform real estate settlement functions are engaged in the unauthorized practice of law.

Status: Amicus brief of the Federal Trade Commission urging reversal of a lower court decision that upheld an advisory opinion of the State Bar of West Virginia Committee on the Unauthorized Practice of Law filed 5/25/04.

***RAUSCH v. THE HARTFORD FINANCIAL SERVICES GROUP, INC.,*** No. 03-35695 (9th Cir.)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Private action involving the Fair Credit Reporting Act and the sale of insurance, in which district court ruled that the offering of less favorable initial terms did not constitute “adverse action.”

Status: Brief of the Federal Trade Commission as amicus curiae supporting appellants and urging reversal filed 1/22/04.

***SCHNEIDER v. CITICORP MORTGAGE, INC. AND CITICORP,*** No. 97-837(NG)(CLP)  
(E.D.N.Y.)

Assigned Attorneys: Patricia F. Bak (BCP/ENF)  
Adam B. Fine

Nature of Action: Class action suit alleging violations of the Real Estate Settlement Procedures Act.

Status: Motion for leave to file memorandum of law as amicus curiae,  
Memorandum of Federal Trade Commission as amicus curiae  
opposing the proposed class action coupon settlement, and motion  
for leave to file memorandum of law as amicus curiae filed  
3/16/04.  
Order granting the Commission leave to file the memorandum of law as  
amicus curiae entered 3/17/04.  
Order approving settlement at fairness hearing entered 3/31/04.

***TEVA PHARMACEUTICALS USA, INC., v. PFIZER, INC.***, No. 04-1186 (Fed. Cir.)

Assigned Attorneys: Lore Unt (BC)  
Lawrence DeMille-Wagman (OGC)

Nature of Action: A private pharmaceutical patent action seeking declaratory judgment of patent invalidity or non-infringement.

Status: Brief of Federal Trade Commission as amicus curiae in support of petitioner Teva Pharmaceuticals and urging reversal of dismissal for lack of jurisdiction filed 3/31/04.

***WILLES v. STATE FARM FIRE & CASUALTY COMPANY***, No. 03-35848 (9th Cir.)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Private action involving the Fair Credit Reporting Act and the sale of insurance, in which district court ruled that the offering of less favorable initial terms did not constitute “adverse action.”

Status: Brief of the Federal Trade Commission as amicus curiae supporting appellant and urging reversal filed 2/19/04.