

FILED

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

2011-6 02:10:12

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FEDERAL TRADE COMMISSION,)
)
Plaintiff,)
)
v.)
)
CAREER NETWORK, INC.,)
WALTER TURULIS, and)
KATHLEEN KEY,)
)
Defendants.)

CIVIL NO. 2:01 CV 001 JM

COMPLAINT FOR INJUNCTION AND OTHER EQUITABLE RELIEF

Plaintiff, the Federal Trade Commission ("Commission"), for its complaint alleges:

1. The Commission brings this action under Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), to secure preliminary and permanent injunctive relief, rescission of contracts, restitution, disgorgement, and other equitable relief for Defendants' deceptive acts or practices in connection with the selling of employment goods and services in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction over Plaintiff's claims pursuant to 28 U.S.C. §§ 1331(a), 1337(a), and 1345, and 15 U.S.C. §§ 45(a) and 53(b).

3. Venue in the Northern District of Indiana is proper under 28 U.S.C. § 1391(b) and (c) and 15 U.S.C. § 53(b).

THE PARTIES

4. Plaintiff **Federal Trade Commission** is an independent agency of the United States government created by the FTC Act, 15 U.S.C. §§ 41-58. The Commission enforces the FTC Act, which prohibits unfair or deceptive acts or practices in or affecting commerce. The Commission may initiate federal district court proceedings to enjoin violations of the FTC Act, and to secure such equitable relief as is appropriate in each case, including restitution and disgorgement. 15 U.S.C. § 53(b).

5. Defendant **Career Network, Inc.** ("CNI") is an Indiana corporation with its principal place of business at 1314 N. Main Street, Suite A, Crown Point, Indiana 46307. CNI has also used addresses of 41 West 78th Place, Merrillville, Indiana 46410 and 51 West 78th Place, Merrillville, Indiana 46410. CNI transacts or has transacted business in this district.

6. Defendant **Walter Turulis** is an owner, principal and manager of CNI. Individually or in concert with others, he directs, controls, formulates or participates in the acts and practices set forth herein. He resides, transacts, or has transacted business in this district.

7. Defendant **Kathleen Key** is an owner, principal and manager of CNI. Individually or in concert with others, she directs, controls, formulates or participates in the acts and practices set forth herein. She resides, transacts, or has transacted business in this district.

COMMERCE

8. Defendants' course of trade is in or affecting commerce within the meaning of Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' BUSINESS PRACTICES

9. Since at least July 1993, Defendants have conducted a nationwide advertising and telemarketing scheme to sell purported employment goods and services to consumers residing throughout the United States. Since at least 1998, Defendants also have marketed and sold their purported employment goods and services through the Internet. Defendants operate the Internet website <www.cnijobhelp.com>.

Telemarketing Scheme

10. Defendants place classified advertisements in the employment sections of local newspapers or community gazettes located throughout the United States. The advertisements announce the availability of postal and government conservation jobs, with no experience necessary. The advertisements invite readers to call for applications and information. The following is illustrative of the advertisements placed by Defendants for postal jobs:

POST OFFICE CAREERS

Start \$14.08/hr + benefits. For exam and appl. info., call 219-661-2444 xPA272. 9am-11pm, 7 days. www.cnijobhelp.com.

The following is illustrative of the advertisements placed by Defendants for conservation jobs:

CONSERVATION CAREERS

Forest rangers, game wardens, maintenance, etc. No experience necessary. Now hiring. For info, call 219-661-2444, ext. 9609, 8am-10pm, 7 days, www.cnijobhelp.com.

11. When consumers call Defendants' advertised telephone number, Defendants' telemarketers first ask which extension the consumer is calling. The extension number allows the telemarketers to know whether the consumer is calling about postal jobs or government conservation jobs.

12. For postal positions, Defendants state that they are one of America's leading job information specialists and that they assist consumers in getting jobs with the U.S. Postal Service. Defendants tell consumers that their program explains postal qualifications and job descriptions. Defendants explain to consumers that their program shows consumers when and where the postal entrance exam will be given, and how to apply to take the exam. Defendants advise consumers that they will be hired based upon their exam score, and that Defendants will send 30 practice tests along with other test taking tips so that consumers will pass the exam. Defendants state that when consumers are hired, they will start at an entry-level position and receive full pay and benefits during the training period.

13. For government conservation positions, Defendants state that they are one of America's leading job information specialists and that they assist consumers in getting jobs with state and federal wildlife conservation departments. Defendants tell consumers that their program explains qualifications and job descriptions for over 30 different government wildlife positions, including game wardens and forest rangers. Defendants then ask consumers a series of questions, including whether the consumer has a high school diploma or G.E.D., after which Defendants declare the consumers prequalified for several positions. Defendants explain that their program lists all of the federal and state conservation jobs available in each state. Defendants advise consumers that most positions require passage of an entrance exam, and that Defendants will send a complete study course along with 25 practice tests so that consumers will pass the exam. Defendants state that when consumers are hired, they will start at an entry-level position and receive full pay and benefits during the training period.

14. For both postal and conservation positions, Defendants inform consumers that there is a \$39.95 information and processing fee and an \$8 shipping and handling fee for the program. Defendants explain that, as members of the U.S. Chamber of Commerce, the information and processing fee comes with a money-back guarantee: if the consumer is not completely satisfied after using the course for six months, Defendants will refund the \$39.95 in full. No other conditions or restrictions on obtaining a refund are disclosed. Consumers purchase the materials for \$47.95 by credit card or checking account debit.

Internet Marketing Scheme

15. Attached to this Complaint as Exhibit 1 is a copy of Defendants' Internet website from on or about December 20, 2000. The Internet website's window title states "Career Network Inc - We do assist you in getting the state or federal job!" This Internet website includes, among others, the following statements:

- a. All across the United States there are openings for civil service jobs. They can range from the United States Postal Service, wildlife conservation and law enforcement.
- b. What we do is assist you in getting a job with state and federal government agencies, including the post office.
- c. We provide exam information in addition to job salary ranges and sample employment applications.
- d. Remember you don't have to study for the exam. But, since you are hired on the basis of this score doesn't it make more sense to achieve the highest score possible?
- e. Over half a million people work for the U.S. Postal service. Thousands of jobs open up every year because workers retire, leave to raise a family, or get promoted.

- f. Employment has excellent benefits, a good salary, and security. But new workers get hired only by passing a test. A high score on your postal exam is mandatory. How to take the exam is far more important than “brains”.
- g. This guide uses up-to-date study materials and discusses strategies for answering the various sections of the exam. The format of the model exams is very similar to that of the actual exam and will increase your speed and accuracy. The rewards of working for the Postal Service are so high and the competition is so tough that you need an edge over competitors. The techniques in our book along with systematic study will gain you a desired advantage over your competitors.
- h. Obtaining employment in the field of conservation offers a wide variety of opportunities. While there are many jobs available, the general public does not know the procedure for locating and applying for these jobs. This will be the focus of our package.
- i. This guide will provide practical information concerning descriptions of career choices including salary ranges and benefits. Also included are eligibility requirements. The last half of our package contains addresses and phone numbers of state and federal hiring offices. With these numbers you will be able to find out what employment opportunities are available in your area.

16. When purchased from the Internet website, Defendants’ materials cost \$37.95, plus \$8.00 shipping and handling. The Internet-marketed postal package contains the same guarantee as the telemarketed postal package: if consumers are not completely satisfied after using the materials for 6 months, Defendants will refund the \$37.95 in full. With respect to the Internet-marketed conservation package, however, Defendants guarantee that if consumers do not pass the civil service exam with a score of 90% or higher and/or receive a job offer within 30 days of their interview, Defendants will refund the \$37.95 in full.

17. Consumers who choose to order Defendants’ package are prompted to move to the order pages on Defendants’ Internet website and pay the fee online by entering either their credit card or checking account information. The fee is then either charged to or debited from those accounts.

Defendants' Materials and Refund Issues

18. For consumers purchasing the postal materials, Defendants ship a packet of information that includes (1) a one page welcome letter with a written copy of the money back guarantee on the reverse; (2) a one page (front and back) document entitled "Postal Exam and Job Hotline"; (3) a four page document entitled "Directory of U.S. Postal Service Examination Centers"; (4) an eight page document entitled "Rural Carrier"; (5) a fifty-three page booklet entitled "Postal Career Program"; (6) a twenty-four page booklet entitled "Practice Test"; and (7) a thirty page document entitled "Government Jobs Handbook."

19. For consumers purchasing the conservation materials, Defendants ship a packet of information that includes (1) a one page welcome letter with a written copy of the money back guarantee on the reverse; (2) a one page document entitled "U.S. Office of Personnel Management Federal Employment Information Centers;" (3) a ninety-two page booklet entitled "Careers in Conservation;" (4) a forty-three page booklet entitled "Civil Service Practice Exam Workbook;" and (5) a thirty page document entitled "Government Jobs Handbook."

20. None of the materials Defendants send includes a list of actual positions that are currently available with the Postal Service or Federal or state governments either locally or nationally. Instead, Defendants provide consumers only with a list of the names, addresses, and telephone numbers for consumers to call for information, and general descriptions of the types of jobs available with the Postal Service or the types of conservation jobs available with the Federal or state government.

21. Consumers experience great difficulty receiving refunds. Defendants often ignore refund requests or declare consumers ineligible for refunds for failing to meet conditions

Defendants did not previously disclose, such as returning the materials via certified mail or enclosing a copy of a certified mail return receipt. Defendants' practices prevent or deter many consumers from requesting and/or obtaining a refund. Consumers who obtained refunds from Defendants usually receive them only after complaining to a Better Business Bureau or a law enforcement agency.

DEFENDANTS' VIOLATIONS OF THE FTC ACT

COUNT I

22. Defendants represent, expressly or by implication, that postal or government conservation positions are currently available in the geographic areas where Defendants place their classified advertisements.

23. In truth and fact, in most instances, postal or government conservation positions are not currently available in the geographic areas where Defendants place their classified advertisements.

24. Therefore, the representations set forth in paragraph 22 are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

25. Defendants represent, expressly or by implication, that consumers are likely to obtain postal or government conservation jobs by using Defendants' materials.

26. In truth and fact, in most instances, consumers are not likely to obtain postal or government conservation jobs by using Defendants' materials.

27. Therefore, the representations set forth in paragraph 25 are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT III

28. Defendants represent, expressly or by implication, that they pay refunds to each consumer who purchases their materials and is not completely satisfied after using the materials for six months.

29. In truth and fact, Defendants do not pay refunds to each consumer who purchases their materials and is not completely satisfied after using the materials for six months.

30. Therefore, the representations set forth in paragraph 28 are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

31. Consumers throughout the United States have been injured and will continue to be injured by Defendants' violations of the FTC Act as set forth above. In addition, Defendants have been unjustly enriched as a result of their unlawful acts and practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

32. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and other ancillary relief, including consumer redress, disgorgement and restitution, to prevent and remedy violations of any provision of law enforced by the Commission.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff requests that this Court, authorized by Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), and pursuant to its own equitable powers:

(1) Award the Commission all temporary and preliminary injunctive and ancillary relief that may be necessary to avert the likelihood of consumer injury during the pendency of this action, and to preserve the possibility of effective final relief, including, but not limited to, temporary and preliminary injunctions, an order freezing each defendant's assets, and the appointment of an equity receiver;

(2) Enjoin Defendants permanently from violating Section 5(a) of the FTC Act, including committing such violations in connection with the advertising, offering for sale, or other promotion of employment goods and services;

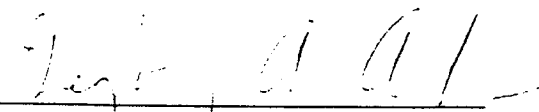
(3) Award such relief as the Court finds necessary to redress injury to consumers resulting from defendants' violations of Section 5(a) of the FTC Act, including, but not limited to, restitution, the rescission of contracts or refund of monies paid, and the disgorgement of unlawfully obtained monies; and

(4) Award plaintiff the costs of bringing this action as well as such additional equitable relief as the Court may determine to be just and proper.

Dated: January 3, 2001

Respectfully submitted,

DEBRA A. VALENTINE
General Counsel

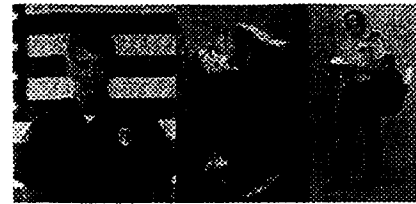


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CAREER NETWORK, INC.

41 WEST 78TH PLACE * MERRILLVILLE, IN 46410



[Postal Careers](#)

[Law Enforcement Careers](#)

[Wildlife Conservation Careers](#)

[Order Information](#)

[Email](#)

All across the United States there are openings for civil service jobs. They can range from the United States Postal Service, wildlife conservation and law enforcement. What we do is assist you in getting a job with state and federal government agencies, including the post office. We provide exam information in addition to job salary ranges and sample employment applications. All packages include a money back guarantee.

Remember you don't have to study for the exam. But, since you are hired on the basis of this score doesn't it make more sense to achieve the highest score possible?

We have listed links to the descriptions of the packages to the left, just click on the package description for more information. At the end of the descriptions you will find our order form. Follow the step by step instructions when filling it out. We will mail the package out to you and you can be on your way to a great new career.

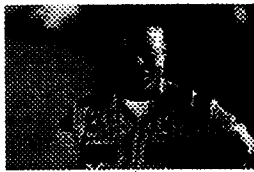
CAREER NETWORK, INC.

41 WEST 78TH PLACE * MERRILLVILLE, IN 46410

<u>Postal Careers</u>	<u>Law Enforcement Careers</u>	<u>Wildlife Conservation Careers</u>	<u>Order Information</u>	<u>Email</u>	<u>Home</u>	Phone: (800)-280-9769 Ext: NET
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CAREER NETWORK, INC.

WILDLIFE CONSERVATION CAREERS



Obtaining employment in the field of conservation offers a wide variety of opportunities. While there are many jobs available, the general public does not know the procedure for locating and applying for these jobs. This will be the focus of our package.

Both the state and federal governments offer employment, in the field of conservation, to the general public. The application process is different for both, and throughout our book, an effort will be made to simplify and explain the employment procedures.



This guide will provide practical information concerning descriptions of career choices including salary ranges and benefits. Also included are eligibility requirements. The last half of our package contains addresses and phone numbers of state and federal hiring offices. With these numbers you will be able to find out what employment opportunities are available in your area.

We guarantee you will pass the exam with a 90% or better and/or receive a job offer within 30 days of your interview or the price of the package will be refunded in full.

[Order Package](#)

CAREER NETWORK, INC.

41 WEST 78TH PLACE • MERRILLVILLE, IN 46410

Postal Careers	Law Enforcement Careers	Wildlife Conservation Careers	Order Information	Email	Home	Phone: (800)-280-9769 Ext: NET
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CAREER NETWORK, INC.

POSTAL CAREERS



Over half a million people work for the U.S. Postal service. Thousands of jobs open up every year because workers retire, leave to raise a family, or get promoted. Employment has excellent benefits, a good salary, and security. But new workers get hired only by passing a test. A high score on your postal exam is mandatory. How to take the exam is far more important than "brains".



This guide uses up-to-date study materials and discusses strategies for answering the various sections of the exam. The format of the model exams is very similar to that of the actual exam and will increase your speed and accuracy. The rewards of working for the Postal Service are so high and the competition is so tough that you need an edge over competitors. The techniques in our book along with systematic study will gain you a desired advantage over your competitors.

Our guide is simple. First, you will be given sample questions, which will show you exactly what the real test is comprised of. Second, the strategies and techniques needed to score high will be clearly explained step-by-step. And last, you will be provided with timed practice examinations to do at home.

We guarantee if you are not completely satisfied after using our course for 6 months, we will refund the price of the package in full.

Order Package

CAREER NETWORK, INC.

41 WEST 78TH PLACE • MERRILLVILLE, IN 46410

Postal Careers	Law Enforcement Careers	Wildlife Conservation Careers	Order Information	Email	Home	Phone: (800)-280-9769 Ext: NET
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CAREER NETWORK, INC.

LAW ENFORCEMENT CAREERS



The government employs more than two and a half million people. Even if there is only a five percent turnover each year from retirement or promotion, that translates into more than 125,000 new job openings per year! Government jobs will always be available, and they will be open to you as soon as you get started! This investment in yourself will lead to what you have been dreaming about ... the perfect job!



With the package we offer, we can make it a bit easier for you in the application process. A career in state or federal law enforcement promises challenge, variety and excitement along with an opportunity to serve the community and the nation. To get one of these great jobs we provide you with the following:

- Eligibility requirements
- Job descriptions
- How, where and when to apply
- Complete test-taking strategies
- Interview hints ... and more

We offer a complete guarantee: if you do not pass the exam with a 90% or better and/or receive a job offer within 30 days of your interview, we will refund the price of the package in full.

[Order Package](#)

CAREER NETWORK, INC.

41 WEST 78TH PLACE • MERRILLVILLE, IN 46410

Postal Careers	Law Enforcement Careers	Wildlife Conservation Careers	Order Information	Email	Home	Phone: (800)-280-9769 Ext: NET
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CAREER NETWORK, INC.

41 WEST 78TH PLACE • MERRILLVILLE, IN 46410

To order simply fill out the order form below. We accept Visa, MasterCard and American Express. If you prefer to order by check, fill out the check information. You will receive your package in 7 to 10 days. Each package cost is \$37.95 plus \$8.00 for shipping = \$45.95

Personal Information

First Name: _____

Last Name: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Phone Number: (area code) _____

What Package? Wildlife Postal Law

Card Number: _____

Expiration Date: _____

Check

Banks Name: _____

Banks City and State: _____

Across the bottom of your check there are numbers.
Please read the numbers from left to the right.

First 9 Numbers (routing #) _____

Next Numbers (account #) _____

Check Number: _____

By choosing "Submit" you authorize C.N.I. to draft your account for \$45.95 in return for the study guide of your choice. You understand that you are eligible for a refund as lon

as you follow the guarantee enclosed in the package and that the shipping and handling charge of \$8.00 is non-refundable.

Thank you for your order.
You can write us at: C.N.I. 41 West 78th Pl. Merrillville, IN 46410

[Submit](#) [Reset](#)

CAREER NETWORK, INC.

41 WEST 78TH PLACE • MERRILLVILLE, IN 46410

Postal Careers	Law Enforcement Careers	Wildlife Conservation Careers	Order Information	Email	Home	Phone: (800) 280-9769 Ext: NET
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