

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

2000 JUN

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FEDERAL TRADE COMMISSION,
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Plaintiff,
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v.
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)
JEFFREY L. LANDERS,
)
)
Defendant.
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Case No. _____

1 00-CV-1582

COMPLAINT FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF

Plaintiff, the Federal Trade Commission ("FTC" or "Commission"), for its Complaint alleges:

1. This is an 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 defendant's deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

JURISDICTION AND VENUE

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

3. Venue in the United States District Court for the Northern District of Georgia is

proper under 15 U.S.C. § 53(b) and 28 U.S.C. § 1391(b) and (c).

PLAINTIFF

4. Plaintiff Federal Trade Commission is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The Commission enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The Commission may initiate federal district court proceedings by its own attorneys to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including restitution for injured consumers. 15 U.S.C. § 53(b).

DEFENDANT

5. Defendant Jeffrey L. Landers does business as Adpro, Inc. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled or participated in the acts and practices set forth in this Complaint. Defendant resides in, and transacts or has transacted business in the Northern District of Georgia.

COMMERCE

6. At all times material to this Complaint, defendant's course of business, including the acts and practices alleged herein, has been and is in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANT'S BUSINESS ACTIVITIES

7. Since at least February 1, 1999, defendant, directly or through his representatives, has mailed to consumers a letter that states, either expressly or by implication, that the consumer has won a prize of \$365,930 or other substantial monetary award. The letter, postmarked from Dallas, Texas, is sent to consumers throughout the nation by certified mail.

8. Defendant's letter states that the consumer must send to Adpro, Inc., a processing fee of \$89 in order for the consumer's reply to be processed. The letter, titled "Authorization Form," informs the consumer that the Claim Deadline is "10 days from receipt." The letter includes the following statements:

This may be your only notice. Please Act now to Ensure Delivery...

This office is notifying you, and it is confirmed that you are designated as a "Qualified and Known Candidate" for sweepstakes money and prizes as documented in our records...

You have been duly documented for Issuance Report No. 603621 regarding sweepstakes cash money and property prizes in an amount not less than \$365,930.00...

Your win opportunity is guaranteed...

Replies (sic) without \$89.00 fee will not be processed.

9 After sending \$89 to Adpro, Inc., at an Alabama Post Office Box listed on the return envelope, consumers do not receive a monetary prize or anything of value.

VIOLATIONS OF SECTION 5(a) OF FTC ACT

10 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), provides that "unfair or deceptive acts or practices in or affecting commerce are hereby declared unlawful."

COUNT I

FAILURE TO DELIVER PRIZE

11. In numerous instances, in connection with the marketing of prize promotions, defendant has represented, expressly or by implication, that consumers would receive a prize of

\$365,930 cash money and property prizes, or other substantial awards.

12. In truth and fact, in numerous instances, consumers did not receive a prize of \$365,930 cash money and property prizes, or other substantial awards.

13. Therefore, the representations set forth in Paragraph 14 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

14. Consumers throughout the United States have suffered and continue to suffer substantial monetary loss as a result of defendant's unlawful acts or practices. In addition, defendant has been unjustly enriched as a result of his unlawful practices. Absent injunctive relief by this Court, defendant is likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

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

16. The Court, in the exercise of its equitable jurisdiction, may award other ancillary relief to remedy injury caused by defendant's violations.

PRAYER FOR RELIEF

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

1. Award plaintiff such temporary preliminary injunctive and ancillary relief as 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;

2. Permanently enjoin the defendant from violating the FTC Act, as alleged herein;

3. Award such relief as the Court finds necessary to redress injury to consumers resulting from the defendant's violations of the FTC Act, including, but not limited to, rescission of contracts, the refund of monies paid, and the disgorgement of ill-gotten monies; and

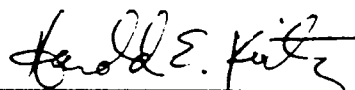
4. Award plaintiff the costs of bringing this action, as well as such other and additional equitable relief as the Court may determine to be just and proper.

Dated: June 27, 2000

Respectfully submitted,

Debra A. Valentine
General Counsel

Andrea L. Foster
Regional Director



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