

**UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND
NORTHERN DIVISION**

**FEDERAL TRADE COMMISSION
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580,**

Plaintiff,

v.

**JAGUAR BUSINESS CONCEPTS, LP dba
LIBERTYMALL.COM
644 Shrewsbury Commons Avenue)
Office 252)
Shrewsbury, PA 17361,**

**CHEYENNE INVESTMENT ALLIANCE, LLC)
132 A. South Hill Street)
Griffin, GA 30223,**

and

**JACQUELINE DEMER, individually and as)
Member/Manager of CHEYENNE)
INVESTMENT)
ALLIANCE, LLC,)
6059 Allentown Blvd., #569)
Harrisburg, PA 17112,**

Defendants.

Civil Action No.

**COMPLAINT FOR
INJUNCTIVE AND
OTHER RELIEF**

Plaintiff, the Federal Trade Commission (“Commission”), by its undersigned attorneys, 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 permanent injunctive relief, rescission of contracts, restitution, disgorgement, other redress, and other equitable relief against Defendants for engaging in 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 subject matter jurisdiction over Plaintiff’s claims pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 45(a) and 53(b).

3. Venue in the United States District Court for the District of Maryland is proper under 28 U.S.C. § 1391(b) and (c) and 15 U.S.C. § 53(b).

THE PARTIES

4. Plaintiff the **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 is authorized to initiate federal district court proceedings by its own attorneys, 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 **Jaguar Business Concepts, LP** (“Jaguar”), is a Pennsylvania Limited Partnership

with a mail drop address at 644 Shrewsbury Commons Avenue, Office 252, Shrewsbury, Pennsylvania.

Defendant Jaguar does business as libertymall.com at 2633 Monkton Road, Monkton, Maryland. Defendant Jaguar transacts or has transacted business in this District.

6. Defendant **Cheyenne Investment Alliance, LLC** (“Cheyenne”), is a Georgia limited liability company and the general partner of Jaguar. Defendant Cheyenne has its principal place of business at 132 A. South Hill Street, Griffin, Georgia. As general partner of Jaguar, Cheyenne transacts or has transacted business in this District.

7. Defendant **Jacqueline Demer** (“Demer”), resides at 6059 Allentown Blvd., #569, Harrisburg, PA and is the Member/Manager of Jaguar’s general partner, Cheyenne. Individually or in concert with others, Defendant Demer directs, controls, formulates or participates in the acts and practices set forth herein. Defendant Demer transacts or has transacted business in this District.

8. Defendants operate together as part of a common enterprise to market fake international drivers’ licenses and permits.

COMMERCE

9. At all times relevant to this complaint, Defendants’ course of trade is in or affecting commerce within the meaning of Section 4 of the FTC Act, 15 U.S.C. § 44.

BACKGROUND CONCERNING INTERNATIONAL DRIVING PERMITS

10. The United Nations Convention on Road Traffic of 1949 (“Road Traffic Convention”) was promulgated to establish certain uniform rules for international road traffic. The U.S. and over 150 other countries are signatories to this convention. The contracting countries agreed to allow legally-admitted visitors

from other contracting countries to drive on their roads, if the visitors have a valid driver's license issued by another contracting country or subdivision thereof.

11. The Road Traffic Convention created a document called an International Driving Permit ("IDP") to facilitate this reciprocal agreement. An IDP is a booklet that translates a person's government-issued driver's license into the official languages of the United Nations (Arabic, Chinese, English, French, Russian, Spanish) and up to six other languages chosen by the issuing country. Its purpose is to reduce confusion caused by language barriers between local police and foreign drivers carrying foreign-language driver's licenses.

12. The Road Traffic Convention provides that IDPs must be issued by the same country that issued the person's driver's license or by a duly authorized association designated by that country. This requirement ensures that IDPs are issued only to persons who hold a valid driver's license from their home country. This requirement also ensures that translations in IDPs are truthful and accurate.

13. Valid IDPs must conform to the model set forth in Annex 10 of the Road Traffic Convention concerning color, size, and required information. The name of the issuing country must be printed at the top of the front cover and a seal or stamp of that country's governmental unit or association empowered to issue IDPs must be affixed to the middle of the front cover.

14. Annex 10 requires the IDP to include the following five pieces of information about the driver: surname, other names, place of birth, date of birth and permanent place of residence. The signatory country or its authorized association must affix its seal or stamp next to the category of vehicles the driver is licensed to

operate. The driver's photograph and signature must be affixed on the last page of the IDP.

15. Some countries require visiting tourists to carry an IDP along with their home country driver's licenses, but most do not. The U.S. State Department encourages U.S. citizens and residents to obtain an IDP and carry it with their driver's license if they plan to drive in countries where English is not the primary language.

16. Residents of countries that are signatories to the Road Traffic Convention may drive legally in the United States if they have a valid license from their country of residence. They are not required to carry an IDP.

17. A valid IDP does not do the following:

- a. It does not confer driving privileges; it merely translates a person's government-issued driver's license into the six official languages of the U.N. and up to six other languages.
- b. It does not insulate U.S. citizens or residents from the legal consequences of driving in the U.S. without a valid driver's license issued by a U.S. state or territory.
- c. It does not insulate U.S. citizens or residents from the legal consequences of driving when their driver's license has been suspended or revoked.
- d. It does not insulate U.S. citizens or residents from having points assessed against their driver's licenses for violations of state or territorial traffic laws.

DEFENDANTS' BUSINESS PRACTICES

18. Since at least August 2000, Defendants have conducted a nationwide scheme to sell their IDPs through a website located at <www.libertymall.com> and through in-bound telemarketing calls. Attached to

this Complaint as Exhibit 1 is a copy of Defendants' website from on or about August 2, 2002.

19. On this website, Defendants offer for sale IDPs, as well as books, tapes, and other identification documents. Defendants' website shows a copy of the back of its international drivers permit, which is entitled "Convention on International Road Traffic of 19 September, 1949" and contains language which purports to be from the Convention. This image, as well as references on Defendants' website to "International Law" and the "Law of Nations" are clearly intended to persuade consumers that Defendants' IDPs are legitimate. For example, the website states:

"There is no government on earth that issues an International Driving or Operators Permit. They are issued under the authority of International Law and the Law of Nations in accordance with N.A.T.O, and the Convention of International Road Traffic [sic] of September, 1949. It is International Law and Contract Law between countries that authorizes the issuance of any type of International Driver Permit. Contrary to popular belief, businesses like AAA, PATA [sic]and others DO NOT have a monopoly on the issuance of IDP's. These organizations are actually restricted (as legal fictions) to whom they can or cannot issue IDP's (to other legal fictions.)"

20. Defendants' website implies that consumers can use Defendants' IDPs to drive legally in the U.S. as long as the IDPs display a non-U.S. country as the "country of issue" and the name on the IDP is different from that associated with the IDP holder's driving record. Defendants further advise consumers that they can drive without state-issued drivers' licenses by using their IDPs to assume the role of "permanent tourists." Defendants imply that to be successful "permanent tourists," purchasers must not use their real names on their IDPs, lest police discover their true identities. Defendants also attempt to bolster their credibility by admonishing IDP holders to obey traffic laws. Examples of the foregoing are set forth below:

- a. "Become a Permanent Tourist (PT.) Retain your Liberty of Movement without waiving any Rights, by overcoming the presumption that you are a U.S. or State resident with

this very impressive document.”

- b. “IMPORTANT! For the IDP to be valid in your State or country, you cannot have a driver license issued from your state or country or a car registered in your name.”
- c. “State issued licenses supersede an international driver license in the state or country where they are being used. That is, if you are ever stopped, your tags and name are run through the DMV computers. If the name on your IDP matches that in DMV records, then you are a ‘resident’ and not a “tourist.” **IDP’s are intended for tourists.** If you do not understand this, DO NOT order the IDP for use in the country where you live.”

21. Statements in Defendants’ IDP application reiterate the preceding claims. The application instructions state: “Consistent with International Law, an International Driver Permit is NOT valid ‘within’ the country of issue. That is, your IDP will not be valid in the United States if you show a U.S. address.” The implication is obvious – Defendants’ IDP *is* valid if it shows a country other than the U.S. as the country of issue. Defendants facilitate the consumers’ designation of a foreign country as the country of issue by offering to provide an address for any country the consumers select.

22. Defendants also represent that consumers can use their IDPs to avoid points by stating on their website, “International Driver Permit CANNOT be assessed points, revoked or suspended.”

23. Defendants also represent that their IDPs can be used in the same ways a person uses a government issued photo identification document, “Have been used to help establish a new identity (camouflage identity,) [sic] car rentals, positive ID, travel ID, etc.)”.

24. Once Defendants have persuaded consumers of the alleged benefits of their IDPs, they further instruct consumers how to order their IDPs. Defendants’ website provides a telephone number, a fax number, a mailing address, and an email address consumers can use for further information or to order the product.

Consumers can purchase the product by check or money order.

25. Defendants' international drivers' permits, which they claim are valid for 5 years, cost \$65.00. PT Resource Center, which is referred to at a number of places on the libertymall.com website, ships the IDP to the purchaser.

VIOLATIONS OF SECTION 5 OF THE FTC ACT

COUNT I

26. In numerous instances, Defendants represent, expressly or by implication, that Defendants' IDP authorizes consumers to drive legally in the United States.

27. In truth and fact, Defendants' IDP does not authorize consumers to drive legally in the United States or anywhere else.

28. Therefore, the representations set forth in paragraph 26 are false and misleading and constitute deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

29. In numerous instances, Defendants represent, expressly or by implication, that consumers who purchase Defendants' IDP may use it to avoid points for traffic violations and avoid sanctions for driving with a suspended or revoked driver's license.

30. In truth and fact, consumers who purchase Defendants' IDP may not use Defendants' international driver's license to avoid points and avoid sanctions for driving with a suspended or revoked driver's license.

31. Therefore, the representations set forth in paragraph 29 are false and misleading and constitute

deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT III

32. In numerous instances, Defendants represent, expressly or by implication, that their IDP can be used in the United States as an identification document in the same ways a person can use a government-issued photo identification document.

33. In truth and fact, Defendants' IDP cannot be used in the United States as an identification document in the same ways a person can use a government-issued photo identification document.

34. Therefore, the representations set forth in paragraph 32 are false and misleading and constitute deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

35. 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.

THIS COURT'S POWER TO GRANT RELIEF

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

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) Permanently enjoin and restrain Defendants from engaging in or assisting others in engaging in violations of the FTC Act;

(2) Award Plaintiff such 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;

(3) Award such equitable 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, rescission of contracts and restitution, other forms of redress, 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: _____, 2003

Respectfully submitted,

WILLIAM E. KOVACIC
General Counsel

Patricia F. Bak
Adam B. Fine
James Reilly Dolan (Bar # 09514)
Federal Trade Commission

600 Pennsylvania Avenue, NW
Washington, DC 20580
Telephone: (202) 326-2842 or (202) 326-3784
Facsimile: (202) 326-2558

Attorneys for Plaintiff