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 U.S. DISTRICT COURT
 MID. DIST. TENN.

**UNITED STATES DISTRICT COURT
 MIDDLE DISTRICT OF TENNESSEE
 NASHVILLE DIVISION**

FEDERAL TRADE COMMISSION,)
)
Plaintiff,)
)
 v.)
)
VOCATIONAL GUIDES, INC.,)
)
a Tennessee corporation,)
and)
)
TIMOTHY SCOTT JACKSON)
)
Defendants.)

Case No. **3-01 0170**

COMPLAINT FOR INJUNCTIVE 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 Middle District of Tennessee 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 Vocational Guides, Inc., is a Tennessee corporation with its principal place of business at 5722 Hickory Plaza, Suite B-5, Nashville, Tennessee. Defendant Vocational Guides, Inc., transacts or has transacted business in this district.

6. Defendant Timothy Scott Jackson is an officer, principal and manager of Defendant Vocational Guides, Inc. 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.

COMMERCE

7. 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

8. Since at least 1998, Defendants have conducted a nationwide advertising and telemarketing scheme to sell purported employment goods and services to consumers residing throughout the United States.

9. 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 entry level postal jobs with wages of up to a specified wage, e.g. \$18.35 per hour. The advertisements invite readers to call for application and examination information. The following are illustrative of the advertisements placed by Defendants:

****Gov't Postal Jobs**** - Up to \$18.65 hour. NOW HIRING FOR 2001. Free call for application-examination information. Federal Hire-Full Benefits. 1-800-598-4504 extension 1604 (8AM-8PM) C.S.T. 7 Days

****FEDERAL POSTAL JOBS**** - Up to \$18.65 hour, NOW HIRING FOR 2001. Free call for application-examination information. Federal Hire-Full Benefits. 1-800-598-4504 extension 1606. (8AM-8PM) C.S.T. 7 Days

****US Postal Jobs**** - Up to \$18.65 hour, NOW HIRING FOR 2001. Free call for application-examination information. Federal Hire-Full Benefits. 1-800-598-4504 ext. 1607. (8AM-8PM) C.S.T. 7 Days

10. Defendants answer calls to the number listed in their classified advertisements without identifying themselves as Vocational Guides, Inc. Defendants tell consumers that they are speaking to someone who will assist them in getting a position with the United States Postal Service and that they will be provided a registration card for an examination appointment and an application for positions with the United States Postal Service. Defendants solicit answers from consumers through a series of questions on topics such as their age, education, citizenship, possession of a valid checking or credit card account, and health, and then tell consumers that

they are qualified. Defendants tell consumers the range of average hourly wages paid for the positions under discussion and also state that the positions come with full federal benefits. In addition, Defendants represent that through the telephone call they are pre-screening and registering applicants for jobs with the United States Postal Service. Defendants also ask consumers if they are ready to start right away. Defendants explain that they will also assist consumers in scoring a 90 or above on the postal employment examination. Defendants inform consumers that once they are hired by the United States Postal Service, they will receive full pay and benefits even during training.

11. Defendants tell consumers that in order to receive the materials about the postal employment examination they must pay a fee, *e.g.*, \$49.45, plus shipping and handling charges, *e.g.*, \$10.45. In numerous instances, Defendants represent that if the consumer does not pass the examination or obtain a position with the United States Postal Service within 12 months, their money will be immediately refunded and that there is absolutely no risk.

12. Defendants mail a booklet regarding United States Postal examinations, instructions for applying to take the examination, a list of five steps to getting a postal job, a written guarantee, and United States Postal Service forms to consumers who agree to purchase. The booklet regarding United States Postal examinations states that making a score of 95 or better is easy when tips in the booklet are followed. None of the materials sent by Defendants includes a list of actual job openings that currently are available with the United States Postal Service either locally or nationally.

DEFENDANTS' VIOLATIONS OF THE FTC ACT

COUNT I

13. Defendants represent, expressly or by implication, that they are affiliated with or endorsed by the United States Postal Service.

14. In truth and fact, Defendants are not affiliated with or endorsed by the United States Postal Service.

15. 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).

COUNT II

16. Defendants represent, expressly or by implication, that postal positions are currently available in geographic areas where Defendants' advertisements appear.

17. In truth and fact, in numerous instances, postal positions are not currently available in geographic areas where Defendants' advertisements appear.

18. Therefore, the representations set forth in paragraph 17 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

19. Defendants represent, expressly or by implication, that consumers are likely to receive scores of 90 or higher on the postal employment examination by using Defendants' materials.

20. In truth and fact, consumers are not likely to receive scores of 90 or higher on the postal employment examination by using Defendants' materials.

21. Therefore, the representations set forth in paragraph 20 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 IV

22. Defendants represent, expressly or by implication, that consumers are likely to obtain postal positions by using Defendants' materials.

23. In truth and fact, consumers are not likely to obtain postal positions by using Defendants' materials.

24. Therefore, the representations set forth in paragraph 23 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

25. 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

26. 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: February 20, 2001

Respectfully submitted,

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General Counsel



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