

**QUARTERLY FEDERAL COURT  
LITIGATION STATUS REPORT**

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

March 31, 2009

No. 99

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## SUMMARY OF CASES

	D. Ct.	Ct. App.*	S. Ct.	Total
PETITIONS FOR REVIEW			2	2
INJUNCTION AND CONSUMER REDRESS CASES	84	12		96
CIVIL PENALTY AND ENFORCEMENT CASES	18			18
SUBPOENA AND CID ENFORCEMENTS	2	1		3
SUITS TO ENJOIN FTC ACTION AND OTHER DEFENSIVE LITIGATION	7	3		10
AMICUS CURIAE BRIEFS		2	2	4
TOTALS	111	18	4	133

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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**

***NORTH TEXAS SPECIALTY PHYSICIANS v. FTC***, No. 08-515 (S. Ct.); No. 06-60023 (5th Cir.)

Parties: North Texas Specialty Physicians

Assigned Attorneys: Michele Arington (OGC)  
Michael Bloom (BC)

Nature of Action: Petition for review of Commission Order that petitioner's price fixing in its negotiations with payors, including insurance companies and health plan, was unlawful.

Status: Petition filed 1/10/06.  
Petitioner's motion to stay FTC final order filed 1/26/06.  
Commission's response in opposition to petitioner's motion to stay filed 1/31/06.  
Order granting petitioner's motion to stay temporarily entered 2/1/06.  
Petitioner's reply in support of its motion to stay filed 2/2/06.  
Order vacating the temporary stay and denying the motion for stay entered 3/16/06.  
Brief of American Medical Association and Texas Medical Association as Amici Curiae in Support of Petitioner filed 5/22/06.  
Petitioner's brief filed 6/8/06.  
Commission's brief filed 8/9/06.  
Petitioner's reply brief filed 9/7/06.  
Oral argument held 3/5/07.  
Opinion affirming Commission on liability but remanding for modification of final order entered 5/14/08.  
Petitioner's petition for rehearing *en banc* filed 6/30/08.  
Revised opinion entered 7/17/08.  
Order denying petition for rehearing *en banc* entered 7/18/08.  
Petition for certiorari filed 10/16/08; Commission's response in opposition filed 1/14/09; certiorari denied 2/23/09.

**RAMBUS INC. v. FTC.**, No. 08-694 (S. Ct.); No. 07-1086, 07-1124 (D.C. Cir.)

Parties: Rambus Inc.

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

Nature of Action: Petition for review of a Commission final order to cease and desist from making misrepresentations to standard-setting organizations and compelling licensing of patented technologies.

Status: Petition filed 4/4/07.  
Second petition for review from the Commission's order on reconsideration filed 5/3/07.  
Petitioner's brief filed 9/21/07.  
Commission's brief filed 11/21/07.  
Petitioner's reply brief filed 12/21/07.  
Oral argument held 2/14/08.  
Opinion and judgment granting the petitions for review entered 4/22/08.  
Commission's petition for rehearing *en banc* filed 6/6/08.  
Order denying petition for rehearing *en banc* entered 8/26/08.  
Commission's petition for certiorari filed 11/24/08.  
Briefs of amici curiae filed 12/23/08 and 12/29/08.  
Rambus' response to petition for certiorari filed 1/23/09.  
Commission's reply memorandum in support of petition for certiorari filed 2/4/09.  
Certiorari denied 2/23/09.

**(B) Rulemakings**

(None pending)

**INJUNCTION AND CONSUMER REDRESS CASES**

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

***FTC v. CCC HOLDINGS, INC.***, No 1:08-CV-02043 (D.D.C.)

Parties: CCC Holdings, Inc.  
Aurora Equity Partners III L.P.

Assigned Attorneys: Catherine M. Moscatelli (BC)  
J. Robert Robertson  
Casey R. Triggs

Alleged Conduct: Petition for a preliminary injunction enjoining defendants from taking any steps to consummate a merger pending resolution of a Commission proceeding to consider anticompetitive effects.

Status: Complaint filed 11/26/08.  
Hearings held 1/8-23/09.  
Post-trial briefs filed 2/2/09.  
Order granting preliminary injunction entered 3/9/09.

**FTC v. WHOLE FOODS MARKET, INC.**, No. 07-5276 (D.C. Cir.); No. 1:07-CV-01021  
(D.D.C.)

Parties: Whole Foods Market, Inc.  
Wild Oats Market, Inc.

Assigned Attorneys: Catherine M. Moscatelli (BC)  
Imad D. Abyad (OGC)  
John F. Daly

Alleged Conduct: Unfair methods of competition in violation of Section 5 in connection  
with Whole Foods' proposed acquisition of Wild Oats Market, Inc.

Status: Complaint filed 6/6/07.  
TRO entered 6/7/07.  
Preliminary injunction denied 8/16/07.  
Notice of appeal filed 8/17/07.  
Emergency motion for injunction pending appeal filed 8/17/07; motion  
denied 8/23/07.  
Defendant's motion to dismiss appeal as moot filed 10/9/07;  
Commission's opposition filed 10/22/07.  
Order that the motion to dismiss be referred to the merits panel and  
setting a briefing schedule entered 12/11/07.  
Commission's brief filed 1/14/08.  
Appellees' brief filed 2/13/08.  
Commission's reply brief filed 2/27/08.  
Oral argument held 4/23/08.  
Opinion reversing district court decision entered 7/29/08.  
Appellees' petition for rehearing *en banc* filed 8/26/08; Commission's  
response filed 9/12/08; Appellees' motion for leave to reply and  
reply filed 10/06/08; Commission's response in opposition filed  
10/20/08.  
Amended opinion entered 11/21/08.  
Order denying petition for rehearing *en banc* entered 11/21/08.

**(B) Preliminary Injunctions (Other)**

(None pending)

**(C) Permanent Injunctions/Consumer Redress\***

***FTC v. 1522838 ONTARIO INC.***, No. 1:06-CV-05378 (N.D. Ill.)

Parties: 1522838 Ontario Inc., d/b/a International Industrial Trade Directory  
Gerhard Mintz, a/k/a Gerry Mintz  
William George Fisk, a/k/a Michael Kelly and Michael Robert Petreikis  
Emma G. Wanjiku

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

Alleged Conduct: Violations of Section 5 in connection with sending fake invoices to consumers for business directory and office supply services and goods never ordered or purchased.

Status: Complaint filed 10/4/06.  
Ex parte TRO entered 10/4/06.  
Stipulated preliminary injunction with asset freeze and other equitable relief against defendants 1522838 Ontario Inc. and Gerhard Mintz entered 10/20/06.  
Stipulated order for permanent injunction and final judgment as to defendants 1522838 Ontario Inc. and Gerhard Mintz entered 3/21/07.  
Stipulated order for permanent injunction and final judgment as to defendant Emma G. Wanjiku entered 4/15/08.  
Commission's motion for summary judgment as to defendant Michael Robert Petreikis filed 7/7/08; order granting summary judgment entered 3/3/09.  
Final judgment as to defendant Michael Robert Petreikis entered 3/24/09.

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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. 6554962 CANADA INC., No. 1:08-CV-02309 (N.D. Ill.)***

Parties: 6554962 Canada Inc., d/b/a Union Consumers Benefits  
Naeem Alvi

Assigned Attorney: Guy G. Ward (MWR)

Alleged Conduct: Violation of Section 5 and the Telemarketing Sales Rule in connection with a false and deceptive telemarketing campaign purporting to offer medical discount packages.

Status: Complaint filed 4/23/08.  
TRO with asset freeze entered 4/24/08.  
Order extending TRO entered 5/1/08.  
Stipulated preliminary injunction entered 6/9/08.

***FTC v. 9107-4021 QUEBEC, INC., No. 1:08-CV-01051 (N.D. Ohio)***

Parties: 9107-4201 Quebec, Inc., d/b/a Med Provisions, Pronto Meds  
9107-5424 Quebec, Inc.  
Zonecon Technologies  
Pooja Malhotra  
Sameer Palhotra  
Ravinder Chawla  
Amit Malhotra

Assigned Attorneys: Michael Milgrom (ECR)  
Sara C. De Paul

Alleged Conduct: Violation of Section 5 and the Telemarketing Sales Rule in connection with unfair and deceptive practices purporting to offer savings on prescription drug costs.

Status: Complaint filed 4/24/08.  
TRO entered 4/25/08.  
Stipulated order extending TRO entered 5/5/08.  
Stipulated preliminary injunction entered 6/5/08.  
Amended complaint adding defendants filed 8/15/08.  
Stipulated preliminary injunction as to new defendants entered 9/29/08.

***FTC v. 9163-7710 QUEBEC, INC.***, No. 3:08-CV-02161 (D.P.R.)

Parties: 9163-7710 Quebec, Inc., d/b/a Enterprise Who's Who, PCM Collections  
Rodolfo Garcia Rodriguez

Assigned Attorneys: Lemuel W. Dowdy (BCP/ENF)  
James A. Prunty

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with  
the sale of internet business directory listing and web page hosting  
services.

Status: Complaint filed 10/9/08.  
TRO with asset freeze entered 10/9/08.  
Preliminary injunction entered 10/17/08.  
Default entered 11/18/08.  
Default final judgment and order for permanent injunction and other relief  
entered 3/6/09.

***FTC v. ACCUSEARCH, INC.***, No. 08-8003 (10th Cir.); No. 2:06-CV-00105 (D. Wyo.)

Parties: Accusearch, Inc., d/b/a Abika.com  
Jay Patel

Assigned Attorneys: Tracy Thorleifson (NWR)  
Lawrence DeMille-Wagman (OGC)

Alleged Conduct: Unfair practices in violation of Section 5 in connection with the sale of confidential consumer phone records.

Status: Complaint filed 5/1/06.  
Defendants' motion to dismiss for failure to state a claim filed 6/6/06;  
Commission's response to motion to dismiss filed 6/20/06;  
defendants' reply filed 6/28/06; motion denied 7/13/06.  
Commission's motion to strike affirmative defenses filed 8/24/06.  
Defendants' motions for summary judgment filed 12/8/06; Commission's  
opposition filed 12/26/06.  
Commission's motion for summary judgment filed 1/22/07; defendants'  
opposition filed 2/5/07.  
Hearing on summary judgment motions held 2/28/07.  
Order vacating trial date of 4/9/07, pending ruling on cross-motions for  
summary judgment, entered 3/21/07.  
Order granting in part and denying in part Commission's motion to strike  
affirmative defenses entered 3/28/07.  
Commission's motion for summary judgment granted 9/28/07.  
Defendants' motions for summary judgment denied 9/28/07.  
Order and judgment for permanent injunction and other equitable relief  
entered 12/20/07.  
Notice of appeal filed 1/9/08.  
Appellants' brief filed 4/21/08.  
Commission's brief filed 6/6/08.  
Appellants' reply brief filed 6/18/08.  
Amicus brief of Canadian Privacy Commissioner filed 6/26/08; response  
by appellants filed 7/10/08.  
Oral argument held 11/17/08.

***FTC v. ACE GROUP, INC.***, No. 0:08-CV-61686 (S.D. Fla.)

Parties: Ace Group, Inc., d/b/a American Credit Experts, Inc., The Ace Group, Inc., The Ace Group, Ace Legal Credit Repair Center, Inc., d/b/a LCRC  
Michael Singer  
Melvin Kessler  
Gerald Roth

Assigned Attorneys: Michele Stolls (NER)  
Robin E. Eichen

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Credit Repair Organizations Act in connection with the marketing, promotion, and sale of credit repair services.

Status: Complaint filed 10/20/08.  
Stipulated preliminary injunction entered 12/4/08.

***FTC v. ADVANTAGE CREDIT REPAIR LLC***, No. 1:08-CV-05994 (N.D. Ill.)

Parties: Advantage Credit Repair LLC  
Mark D. Solomon

Assigned Attorneys: Marissa J. Reich (MWR)  
David O'Toole

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Credit Repair Organizations Act in connection with the marketing, promotion, and sale of credit repair services.

Status: Complaint filed 10/20/08.  
TRO with asset freeze entered 10/23/08.  
Stipulated preliminary injunction entered 1/27/09.

*FTC v. ALTERNATEL, INC.*, No. 1:08-CV-21433 (S.D. Fla.)

Parties: Alternatel, Inc.  
G.F.G. Enterprises LLC, d/b/a Mystic Prepaid  
Voice Prepaid, Inc.  
Telecom Express, Inc.  
Voice Distributors, Inc.  
Lucas Friedlander  
Moses Greenfield  
Nicholas Gulakos  
Frank Wendorff

Assigned Attorneys: Janis Claire Kestenbaum (BCP/MP)  
Roberto Anguizola  
Arturo Anton DeCastro  
Lisa Schifferle

Alleged Conduct: Deceptive acts and practices in violation of Section 5 involving prepaid phone cards, misrepresentation of call minutes, and failure to disclose fees.

Status: Complaint filed 5/19/08.  
TRO entered 5/23/08.  
Defendants' Rule 12(b)(2) motions to dismiss filed 5/23/08;  
Commission's opposition to motion filed 6/9/08; defendants' reply filed 6/19/08; Commission's sur-reply filed 7/10/08.  
Defendants' Rule 12(b)(1), 12(b)(6), and 12(b)(7) motions to dismiss filed 7/1/08; Commission's opposition to motions filed 7/21/08, defendants' reply filed 7/31/08.  
Orders denying defendants' Rule 12(b)(2) motions entered 10/22/08 and 10/27/08.  
Order denying defendants' remaining Rule 12 motions entered 12/4/08.  
Order granting motion to stay pending approval of settlement entered 12/11/08.

***FTC v. AMERICAN ENTERTAINMENT DISTRIBUTORS, INC.***, No. 1:04-CV-22431 (S.D. Fla.)

Parties: American Entertainment Distributors, Inc.  
Automated Entertainment Dispensers, Inc.  
Automated Entertainment Machines, Inc.  
Universal Technical Support, Inc.  
Universal Cybercom Corporation  
Russell G. MacArthur, Jr.  
Anthony Rocco Andreoni  
James R. MacArthur  
Mauricio A. Paz  
Miriam Smolyansky, a/k/a Masha Tango

Assigned Attorneys: Michael Tankersley (BCP/MP)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Franchise Rule in connection with the sale of a business opportunity venture involving automated DVD and VHS movie rental machines.

Status: Complaint for injunctive and other equitable relief filed 9/28/04.  
TRO entered 9/29/04.  
Stipulated preliminary injunction as to defendants American Entertainment Distributors, Inc. and James R. MacArthur entered 10/21/04.  
Stipulated preliminary injunction as to defendants Universal Cybercom Corporation and Mauricio A. Paz entered 11/24/04.  
Order modifying TRO entered 12/29/04.  
Stipulated preliminary injunction as to defendants Automated Entertainment Dispensers, Inc., Universal Technical Support, Inc., Anthony Rocco Andreoni and Miriam Smolyansky entered 1/5/05.  
Stipulated amendment of preliminary injunction as to defendant Anthony Rocco Andreoni entered 1/5/05.  
Stipulated preliminary injunction with asset freeze as to defendant Russell G. MacArthur, Jr. entered 1/21/05.  
Default judgment and final order for permanent injunction as to American Entertainment Distributors, Inc., Automated Entertainment Machines, Inc. and James R. MacArthur entered 2/22/05.  
Commission's motion to stay discovery until criminal proceedings are completed filed 8/30/05; defendants' response filed 9/6/05; Commission's response filed 9/9/05; order granting motion to stay entered 10/17/05.  
Order reopening case and lifting stay entered 5/13/08.  
Stipulated proposed final orders as to Mauricio A. Paz, Universal Cybercom Corporation, Automated Entertainment Distributors, Inc., and Universal Technical Support, Inc. filed 1/16/09.

*FTC v. ASSAIL, INC.*, No. 6:03-CV-00007 (W.D. Tex.)

Parties: Assail, Inc.  
Kyle Kimoto  
Joel Best

Assigned Attorneys: Robert S. Kaye (BCP/MP)  
Douglas V. Wolfe (BCF/ENF)

Alleged Conduct: Contempt proceedings for violating the telemarketing ban in a stipulated permanent injunction and final order.

Status: Complaint filed 1/9/03.  
Stipulated order for permanent injunction and monetary judgment as to defendants Kyle Kimoto and Assail, Inc. entered 9/22/03.  
Stipulated order for permanent injunction and monetary judgment as to defendant Joel Best entered 9/8/04.  
Motion for contempt and for order to show cause as to Kyle Kimoto filed 6/13/08.  
Unopposed motion for contempt and for order modifying stipulated final order as to Joel Best filed 6/24/08.  
Order granting motion to show cause as to Kyle Kimoto entered 6/30/08.  
Stipulated order finding Joel Best in contempt, requiring disgorgement of funds, modifying final order to ban further involvement with marketing credit-related services, and granting other relief entered 6/30/08.  
Show cause hearing as to Kyle Kimoto held 11/21/08.  
Order finding Kyle Kimoto in contempt and modifying 9/22/03 stipulated permanent injunction entered 12/5/08.

***FTC v. ATKINSON***, No. 1:08-CV-05666 (N.D. Ill.)

Parties: Lance Thomas Atkinson  
Inet Ventures Pty Ltd  
Tango Pay Inc.  
Click Fusion Inc.  
TwoBucks Tracking Limited  
Jody Michael Smith

Assigned Attorney: Steven M. Wernikoff (MWR)

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the CAN-SPAM Act in connection with the marketing and sale of herbal products, pharmaceutical medications, and replica watches.

Status: Complaint filed 10/6/08.  
TRO with asset freeze entered 10/6/08.  
Preliminary injunction as to defendants Lance Thomas Atkinson, Inet Ventures Pty Ltd, Tango Pay Inc., Click Fusion Inc., and TwoBucks Tracking Limited entered 10/21/08.  
Stipulated preliminary injunction as to defendant Jody Michael Smith entered 1/13/09.



***FTC v. BAY AREA BUSINESS COUNCIL, INC.***, No. 1:02-CV-05762 (N.D. Ill.)

Parties: Bay Area Business Council, Inc.  
Peter J. Porcelli, II.  
Bonnie Harris  
Christopher Tomasulo  
Safe Harbour Foundation of Florida, Inc.  
Silverstone Lending, LLC  
Silverstone Financial, LLC  
Thomas Little

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

Alleged Conduct: Civil contempt action for violations of a 2004 litigated judgment as to Peter Porcelli and Bonnie Harris and a 2005 consent order as to Christopher Tomasulo that prohibited defendants from selling credit-related products or services.

Status: Complaint filed 8/13/02.  
Order granting Commission's summary judgment as to all defendants entered 4/9/04.  
Commission's motion for order to show cause why defendants Peter J. Porcelli, II, Bonnie Harris, Christopher Tomasulo, and respondents Safe Harbour Foundation of Florida, Inc., Silverstone Lending, LLC, Silverstone Financial, LLC, and Thomas Little should not be held in contempt filed 2/27/08.  
Commission's motion to consolidate case with *FTC v. Safe Harbour Foundation of Florida, Inc.*, No. 08-1185 (N.D. Ill.) filed 2/27/08; granted 5/1/08.  
Order granting motion for an order to show cause entered 8/27/08.

***FTC v. BC, LTD.***, No. 2:07-CV-01755 (W.D.Wash.)

Parties: BC, Ltd. d/b/a Cash Corner Services, Inc.  
BC, Ltd. d/b/a Family Choice Store, Inc.  
Odowa Roland Okuomose, individually and d/b/a Cash Corner Services, Inc. and Family Choice Store, Inc.  
Evelyn Okuomose, individually and d/b/a Family Choice Store, Inc.

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

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

Status: Complaint filed 10/31/07.  
Ex parte TRO and asset freeze entered 10/31/07.  
Preliminary injunction and other equitable relief entered 11/13/07.  
Clerk's entry of default against all defendants 5/9/08.  
Motion for default judgment and order for permanent injunction filed 12/9/08.  
Default judgment and order for permanent injunction and monetary relief entered 1/30/09.

***FTC v. BREITLING***, No. 5:08-CV-00494 (W.D. Okla.)

Parties: Steven Anthony Breitling, d/b/a ICS Financial Group, ICS Financial Firm, ICS A Financial Co., ICS Financial Services, Integrated Credit Services, ICS Financial Associates

Assigned Attorneys: Emily B. Robinson (SWR)  
James E. Hunnicutt

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Telemarketing Sales Rule involving alleged guaranteed advance-fee loans.

Status: Complaint filed 5/12/08.  
TRO with asset freeze entered 5/12/08.  
Stipulated preliminary injunction entered 5/21/08.  
Order denying defendant's motion for TRO or alternatively for preliminary injunction, denying Commission's motion for order to return frozen funds, and clarifying and modifying stipulated preliminary injunction entered 6/11/08.  
Orders staying proceedings and partially lifting asset freeze entered 2/24/09.

***FTC v. BRONSON PARTNERS, LLC***, No. 3:04-CV-01866 (D. Conn.)

Parties: Bronson Partners, LLC, d/b/a New England Diet Center and Bronson Day Spa  
Martin Howard  
H&H Marketing, LLC (relief defendant)  
Sandra Howard (relief defendant)

Assigned Attorney: Robin E. Eichen (NER)  
Deborah A. Marrone  
Michele Stolls

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

Status: Complaint filed 11/4/04.  
Stipulated preliminary injunction entered 2/24/05.  
Amended complaint for permanent injunction and other equitable relief, adding relief defendants H&H Marketing, LLC and Sandra Howard, filed 6/13/05.  
Commission's motion for contempt filed 9/23/05; response filed 10/14/05.  
Order granting Commission's motion for contempt entered 3/1/06.  
Commission's motion for summary judgment filed 11/1/06; defendants' opposition filed 12/28/06; Commission's reply filed 2/8/07.  
Oral argument on motion for summary judgment held 9/19/07.  
Decision granting Commission's motion for summary judgment as to liability entered 7/10/08.  
Evidentiary hearing on monetary relief scheduled for 6/1/09.

***FTC v. BURNLOUNGE, INC.***, No. 2:07-CV-03654 (C.D. Cal.)

Parties: BurnLounge, Inc.  
Juan Alexander Arnold  
John Taylor  
Rob DeBoer  
Scott Elliott

Assigned Attorneys: Chris M. Couillou (SER)  
Gerald S. Sachs  
David C. Fix (BCP/MP)  
Kenneth Abbe (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the advertising, marketing, and sale of opportunities to operate on-line digital music stores.

Status: Complaint filed 6/6/07.  
Stipulated preliminary injunction as to defendant Scott Elliott entered 7/2/07.  
Stipulated preliminary injunction as to defendant BurnLounge, Inc. entered 7/3/07.  
Stipulated preliminary injunction as to defendant Rob DeBoer entered 8/7/07.  
Stipulated preliminary injunction as to defendant John Taylor entered 8/8/07.  
Stipulated preliminary injunction as to defendant Juan Alexander Arnold entered 8/21/07.  
Commission's motion to show cause why defendants BurnLounge and Juan Alexander Arnold should not be held in contempt for violation of stipulated preliminary injunction filed 4/24/08; defendants' opposition filed 5/7/08; Commission's reply filed 5/8/08; order granting motion to show cause entered 5/19/08.  
Stipulated final order for permanent injunction and other equitable relief as to defendant Scott Elliott entered 6/16/08.  
Defendants BurnLounge and Juan Alexander Arnold opposition to order to show cause filed 6/24/08; Commission's response filed 7/7/08; defendants' reply filed 7/8/08.  
Order finding BurnLounge in violation of court injunction entered 8/4/08.  
Trial held 12/9/08 to 12/22/08.  
Post-trial briefs filed 3/6/09.

***FTC v. CASH TODAY, LTD***, No. 3:08-CV-00590 (D. Nev.)

Parties: Cash Today, Ltd  
The Heathmill Village, Ltd.  
Leads Global, Inc.  
Waterfront Investments, Inc.  
ACH Cash, Inc.  
HBS Services, Inc.  
Rovinge International, Inc.  
Lotus Leads, Inc.  
First4Leads, Inc.  
The Harris Holding, Ltd., d/b/a Cash Today, route 66 Funding, Global  
Financial Services, Ltd., Interim Cash, Ltd., BIG-INT, Ltd.  
Aaron Gershfield  
Ivor Gershfield  
Jim Harris

Assigned Attorneys: Nadine S. Samter (NWR)  
Julie K. Mayer

Alleged Conduct: Deceptive acts and practices in violation of Section 5, the Truth in Lending Act, and Regulation Z in connection with the offering, extension, and collection of payday loans.

Status: Complaint filed 11/6/08.  
Stipulated preliminary injunction and order for other equitable relief as to defendants Leads Global, Inc.; Waterfront Investments, Inc.; HBS Services, Inc.; Rovinge International, Inc.; ACH Cash, Inc.; First4Leads, Inc.; and Lotus Leads, Inc. entered 1/5/09.  
Preliminary injunction and order for other equitable relief as to defendant Jim Harris entered 1/12/09.

***FTC v. CEPHALON, INC.***, No. 2:08-CV-02141 (E.D. Pa.), formerly No. 1:08-CV-00244  
(D.D.C.)

Parties: Cephalon, Inc.

Assigned Attorneys: Markus H. Meier (BC)  
Saralisa C. Brau  
Bradley S. Albert  
Mark J. Woodward

Alleged Conduct: Violations of Section 5 in connection with inducing generic companies to abandon patent challenge and agreeing to refrain from producing a generic form of the drug Provigil.

Status: Complaint for injunctive relief in D.D.C. filed 2/13/08.  
Order granting defendant's motion to transfer case to E.D. Pa. entered 4/28/08.  
Defendant's motion to dismiss filed 5/2/08; Commission's opposition to motion filed 6/2/08; defendant's reply filed 6/20/08.

***FTC v. CHASE FINANCIAL FUNDING, INC.***, No. 8:04-CV-00549 (C.D. Cal.)

Parties: Chase Financial Funding, Inc.  
James F. Berry  
Suzanne Admire  
Jeremy Alexander  
Chase Enterprises, LLC (relief defendant)  
WCM QSUB-34, Inc. (relief defendant)

Assigned Attorneys: Katherine Worthman (BCP/FP)  
Faye Chen Barnouw (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 filed 5/12/04.  
Stipulated preliminary injunction entered 5/28/04.  
First amended complaint for injunctive and other equitable relief, adding relief defendants Chase Enterprises, LLC and WCM QSUB-34, Inc., filed 12/14/04.  
Order to show cause why defendant James F. Berry should not be held in contempt for violating the May 28, 2004 Stipulated Preliminary Injunction and December 15, 2004 Stipulation and Order entered 7/1/05.  
Order for issuance of bench warrant for arrest of James F. Berry entered 8/15/05.  
Defendants Chase Financial Funding and Chase Enterprises' Chapter 7 bankruptcy protection filed 9/26/05.  
James F. Berry arrested, pursuant to bench warrant, 10/31/05.  
Stipulation and order regarding contempt of James F. Berry, releasing him from custody, entered 12/8/05.  
Defendant James F. Berry's Chapter 7 bankruptcy petition filed 5/5/06.

***FTC v. CHINERY***, No. 3:05-CV-03460 (D.N.J.)

Parties: Robert Chinery, Jr.  
Tracy A. Chinery  
RTC Research & Development, LLC

Assigned Attorneys: David Frankel (BCP/AP)  
Karen Mandel

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 of the FTC Act in connection with the sale of the dietary supplement Xenadrine EFX.

Status: Complaint filed 7/11/05.  
Defendants Tracy Chinery and RTC's motions to dismiss and in the alternative for summary judgment filed 9/6/05.  
Defendant Robert Chinery's motion to dismiss and in the alternative for summary judgment filed 9/9/05.  
Order referring the case to mediation entered 9/26/05.  
Commission's oppositions to all motions to dismiss filed 10/3/05.  
Order staying litigation pending resolution of ongoing mediation entered 10/29/05.  
Consent order withdrawing pending motions without prejudice entered 3/31/06.  
Stipulated final order for permanent injunction and settlement of claims for monetary relief, as to defendants Robert Chinery, Jr. and RTC Research & Development, LLC, providing for consumer redress of \$8 - \$12.8 million, entered 12/26/06.  
Order lifting litigation stay as to defendant Tracy Chinery entered 3/2/07.  
Defendant Tracy Chinery's motion to dismiss or, in the alternative, for summary judgment filed 3/7/07; Commission's opposition filed 4/16/07; reply filed 5/8/07.  
Order denying motion to dismiss and dismissing motion for summary judgment without prejudice entered 7/5/07.  
Defendant Tracy Chinery's motion for summary judgment filed 9/2/08; Commission's response in opposition filed 10/6/08; reply filed 11/10/08; order denying summary judgment entered 3/23/09.  
Stipulated order for permanent injunction and settlement of claims for monetary relief as to all defendants entered 3/31/09.



***FTC v. CITY WEST ADVANTAGE, INC.***, No. 2:08-CV-00609 (D. Nev.)

Parties: City West Advantage, Inc., d/b/a Unified Services  
James S. Slemboski

Assigned Attorneys: Kenneth H. Abbe (WR-SF)  
Eric D. Edmondson  
Blaine T. Welsh (AUSA)

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 involving offers of shopping sprees or free gifts in return for providing bank account information.

Status: Complaint filed 5/13/08.  
Order denying motion for TRO entered 5/20/08.  
Preliminary injunction hearing held 6/12/08.  
Preliminary injunction entered 7/22/08.

***FTC v. CLEAN CREDIT REPORT SERVICES, INC.***, No. 1:08-CV-22922 (S.D. Fla.)

Parties: Clean Credit Report Services, Inc.  
Ricardo A. Miranda  
Daniel R. Miranda  
Ruthy Villabona

Assigned Attorney: Robin L. Rock (SER)

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Credit Repair Organizations Act in connection with the marketing, promotion, and sale of credit repair services.

Status: Complaint filed 10/21/08.  
TRO with asset freeze entered 10/23/08.  
Preliminary injunction entered 11/3/08.

***FTC v. CLIFTON TELECARD ALLIANCE ONE LLC***, No. 2:08-CV-01480 (D.N.J.)

**Parties:** Clifton Telecard One LLC, d/b/a Clifton Telecard Alliance and CTA, Inc.  
Mustafa Qattous

**Assigned Attorneys:** Colleen B. Robbins (BCP/MP)  
LaShawn M. Johnson  
Tracey Thomas

**Alleged Conduct:** Violations of Section 5 in connection with deceptive marketing practices in selling prepaid phone cards to consumers.

**Status:** Complaint filed 3/25/08.  
TRO entered 3/28/08.  
Order granting stay pending approval of stipulated final order entered 11/14/08.

***FTC v. COMPUCREDIT CORPORATION***, No. 1:08-CV-01976 (N.D. Ga.)

**Parties:** CompuCredit Corporation  
Jefferson Capital Systems, LLC

**Assigned Attorneys:** Mark L. Glassman (BCP/FP)  
Gregory A. Ashe  
Katherine Worthman  
Leah Frazier  
David Wiese  
Chris Michael Couillou (SER)  
Cindy A. Liebes

**Alleged Conduct:** False and deceptive practices in violation of Section 5 involving credit cards with undisclosed fees, misrepresentations as to the amount of credit, and a debt collection program as an offer to transfer balances.

**Status:** Complaint filed 6/10/08.  
CompuCredit's motion to dismiss filed 7/21/08; Commission's opposition filed 8/22/08; CompuCredit's reply filed 9/4/08.  
Jefferson Capital's motion to dismiss filed 8/22/08; Commission's opposition filed 9/5/08; Jefferson Capital's reply filed 9/9/08.  
Oral argument on motions to dismiss held 9/11/08.  
Stipulated orders for permanent injunctions and other relief entered 12/19/08.

***FTC v. CRUZ***, No. 3:08-CV-01877 (D.P.R.)

Parties: Zolio Cruz, a/k/a Zolio Cruz-Carrion, d/b/a International Marketing

Assigned Attorneys: Edwin Rodriguez (BCP/ENF)  
Malini Mithal  
Matthew Wilshire

Alleged Conduct: Deceptive acts and practices in violation of Section 5 related to marketing of work at home opportunities.

Status: Complaint filed 8/7/08.  
Order for default judgment and permanent injunction entered 12/18/08.

***FTC v. CYBERSPY SOFTWARE, LLC***, No. 6:08-CV- 01872 (M.D. Fla.)

Parties: CyberSpy Software, LLC  
Tracer R. Spence

Assigned Attorneys: David K. Koehler (BCP/AP)  
Tracy R. Shapiro  
James A. Trilling

Alleged Conduct: Unfair and deceptive acts and practices in violation of Section 5 in connection with the sale of software and the unauthorized collection and disclosure of consumers' personal information.

Status: Complaint filed 11/5/08.  
TRO entered 11/6/08.  
Preliminary injunction entered 11/25/08.  
Order denying defendants' motion for summary judgment entered 2/23/09.  
Trial scheduled for 9/14/09.

***FTC v. DATA BUSINESS SOLUTIONS INC.***, No. 1:08-CV-02783 (N.D. Ill.)

Parties: Data Business Solutions Inc., d/b/a Internet Listing Service Corp., ILS Corp., ILSCORP.NET, Domain Listing Service Corp., DLSCORP.NET, DLS Corp.  
1646153 Ontario Inc., d/b/a Internet Listing Service Corp., ILS Corp., ILSCORP.NET, Domain Listing Service Corp., DLSCORP.NET, DLS Corp.  
Ari Balabanian  
Isaac Benlolo  
Kirk Mulveney  
Steven E. Dale  
Pearl Keslassy

Assigned Attorneys: Marissa J. Reich (MWR)  
Karen D. Dodge

Alleged Conduct: Deceptive practices in violation of Section 5 involving domain name registrars and billing for search optimization services not provided.

Status: Complaint filed 5/14/08.  
TRO with asset freeze entered 5/14/08.  
Order extending TRO entered 5/22/08.  
Stipulated order extending TRO entered 6/11/08.  
Stipulated preliminary injunctions against defendants Ari Balabanian, Data Business Solutions Inc., Kirk Mulveney, and Isaac Benlolo entered 6/30/08.  
Amended complaint adding defendants filed 8/11/08.  
Preliminary injunction against Steven E. Dale entered 9/30/08.  
Stipulated preliminary injunctions against Pearl Keslassy and 1646153 Ontario Inc. entered 9/30/08.

***FTC v. DIRECT CONNECTION CONSULTING, INC.***, No. 1:08-CV-01739 (N.D. Ga.)

Parties: Direct Connection Consulting, Inc., d/b/a Sure Touch Long Distance  
Digicom, LLC, d/b/a DigiTouch Long Distance  
Elliott Borenstein  
Joann R. Winter

Assigned Attorney: Valerie M. Verduce (SER)

Alleged Conduct: False and deceptive practices in violation of Section 5 involving telemarketers offering free goods and services not provided and billing of credit cards and bank accounts.

Status: Complaint filed 5/14/08.  
Order granting motion for TRO entered 5/14/08.  
Order extending TRO entered 5/23/08.  
Order extending TRO through 7/25/08 entered 6/5/08.  
Orders granting motions for relief from TRO entered 6/16/08 and 6/20/08.  
Preliminary injunction entered 7/25/08.  
Final judgment and order for permanent injunction against defendants Direct Connection Consulting, Inc., Digicom, LLC, and Elliott Borenstein entered 3/23/09.

***FTC v. DIRECT MARKETING CONCEPTS, INC.***, No. 1:04-CV-11136 (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  
Robert Maihos  
Lisa Stern (relief defendant)  
Steven Ritchey (relief defendant)  
BP International, Inc.(relief defendant)

Assigned Attorneys: Edward Glennon (BCP/AP)  
Shira D. Modell  
Heather Hipsley  
James A. Trilling  
Kial S. Young

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

Status: Complaint filed 6/1/04.  
Preliminary injunction as to defendants Direct Marketing Concepts, Inc., ITV Direct, Inc. and Donald W. Barrett entered 6/23/04.  
Amended complaint for permanent injunction and other equitable relief adding defendant Robert Maihos and relief defendants Lisa Stern, Steven Richey and BP International, Inc., filed 4/20/05.  
Stipulated final order for permanent injunction and settlement of claims for monetary relief as to defendants Health Solutions, Inc. and Alejandro Guerrero entered 9/28/05.  
Stipulated final order for permanent injunction and settlement of claims for monetary relief as to defendants Healthy Solutions, LLC, Gregory Geremesz and Michael Howell entered 9/29/05.  
Commission's motion for summary judgment as to remaining defendants filed 12/15/05; defendants' responses in opposition filed 2/10/06; Commission's reply filed 3/3/06.  
Hearing on motion for summary judgment held 7/6/06.  
Order granting in part and denying in part Commission's motion for summary judgment entered 7/14/08.

Trial on remaining counts held 11/18-21/08.

***FTC v. DIRECT MARKETING CONCEPTS, INC.***, No. 1:07-CV-11870 (D. Mass.)

Parties: Direct Marketing Concepts, Inc.  
ITV Direct, Inc.  
ITV Global, Inc.  
Donald W. Barrett  
Robert Maihos

Assigned Attorneys: Edward Glennon (BCP/AP)  
Shira D. Modell  
Heather Hipsley

Alleged Conduct: Deceptive acts or practices in violation of Section 5 of the FTC Act in connection with the advertising, promotion, and sale of a book entitled “The Weight Loss Cure ‘They’ Don't Want You to Know About.”

Status: Complaint filed 10/4/07.  
Amended complaint adding defendant ITV Global, Inc. filed 10/17/07.  
Defendants’ motion to dismiss filed 11/15/07; Commission’s opposition filed 11/29/07.  
Order denying defendants’ motion to dismiss entered 7/9/08.

***FTC v. DUTCHMAN ENTERPRISES, LLC***, No. 2:09-CV- 00141 (D.N.J.)

Parties: Dutchman Enterprises, LLC  
United Community Services of America, Inc., d/b/a UCSA Dealers Group  
Dennis Lee

Assigned Attorneys: Joshua S. Millard (BCP/ENF)  
Malini Mithal

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with claims of an automobile fuel-savings device.

Status: Complaint filed 1/12/09.  
TRO with asset freeze and other equitable relief entered 1/14/09.

***FTC v. ESSEX MARKETING GROUP, INC.***, No. 2:02-CV-03415 (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 Attorney: Ann F. Weintraub (NER)

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 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.  
Matter stayed pending parallel criminal prosecution; stay lifted 11/5/04.  
Guadagno bankruptcy petition filed 9/22/04.  
Adverse complaint filed 12/27/04.  
Order discharging Chapter 7 debtor entered 5/3/06.  
Fully briefed summary judgment motion filed 6/5/06.  
Bankruptcy court's agreement to continued abstention of matter while proceeding in district court entered 6/27/06.  
Order staying adverse complaint, pending decision on motion for summary judgment, entered 6/28/06.  
Order denying motion for summary judgment, without prejudice to renew, entered 7/20/06.  
Defendant Guadagno's motion for stay pending the outcome of the criminal trial filed 8/7/06; Commission's opposition filed 8/10/06; Guadagno's reply filed 8/11/06; motion for stay granted 9/22/06.  
Stipulated order lifting stay entered 1/5/07.  
Oral argument on motion for summary judgment held 4/18/08.  
Order granting summary judgment as to defendant Richard J. Guadagno and all corporate defendants and denying summary judgment as to defendant Henry Sanchez entered 7/8/08.  
Final judgment and order for permanent injunction as to defendant Richard J. Guadagno and all corporate defendants entered 10/3/08.



Stipulated final judgment and order for permanent injunction as to defendant Henry Sanchez entered 12/23/08.  
Stipulated order for voluntary dismissal with prejudice of defendant Jack G. Schwartz entered 1/20/09.

***FTC v. FIVE STAR AUTO CLUB INC.***, No. 7:99-CV-01693 (S.D. N.Y.)

Parties: Five Star Auto Club Inc.  
Michael Sullivan  
Hydrogen Fusion Engine Company

Assigned Attorneys: Mark Morelli (BCP/ENF)  
Amanda Basta

Alleged Conduct: Contempt proceedings for violations of a final judgment and order for permanent injunction in connection with the marketing of devices to power cars.

Status: Complaint filed 3/8/99.  
Final judgment and order for permanent injunction against defendants Five Star Auto Club Inc., Michael Sullivan, and Angela Sullivan entered 6/9/00.  
Motion for contempt and for order to show cause as to Michael Sullivan and Hydrogen Fusion Engine Company filed 12/15/08.  
TRO against defendant Michael Sullivan entered 12/15/08.  
Preliminary injunction against defendant Michael Sullivan entered 2/23/09.

***FTC v. FORECLOSURE SOLUTIONS, LLC***, No. 1:08-CV-01075 (N.D. Ohio)

Parties: Foreclosure Solutions, LLC  
Timothy A. Buckley

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

Alleged conduct: Deceptive practices in violation of Section 5 in connection with the selling of mortgage foreclosure rescue services.

Status: Complaint filed 4/29/08.  
Preliminary injunction hearing held 6/17/08.  
Preliminary injunction with asset freeze entered 11/21/08.

***FTC v. FTN PROMOTIONS, INC.***, No. 8:07-CV-01279 (M.D. Fla.)

Parties: FTN Promotions, Inc.  
Guardian Marketing Services Corp.  
Strategia Marketing, LLC  
Co-Compliance, LLC  
JPW Consultants, Inc.  
Travel Agents Direct, LLC  
Agent's Travel Network, Inc.  
Bay Pines Travel, Inc.  
Suntasia Properties, Inc.  
Byron W. Wolf  
Roy A. Eliasson  
Alfred H. Wolf  
Donald L. Booth  
Jeffrey P. Wolf  
John Louis Smith, II

Assigned Attorneys: Todd M. Kossow (MWR)  
Rozina C. Bhimani  
William J. Hodor

Alleged Conduct: Violations of the Telemarketing Sales Rule in connection with a telemarketing scheme which offered "free" trial memberships in travel clubs.

Status: Complaint filed 7/23/07.  
Ex parte TRO as to all defendants entered 7/23/07.  
Magistrate Judge's report and recommendation for permanent injunction entered 12/21/07.  
Order adopting Magistrate Judge's report and recommendations entered 01/15/08.  
Preliminary injunction as to defendants Donald L. Booth, Jeffrey P. Wolf, and Alfred H. Wolf entered 3/27/08.  
Stipulated order for permanent injunction and final order against defendant Donald L. Booth entered 8/27/08.  
Stipulated order for voluntary dismissal without prejudice of defendant Agent's Travel Network, Inc. entered 12/30/08.  
Stipulated orders for permanent injunction and final judgment against remaining defendants entered 12/30/08.

***FTC v. GATEWAY FUNDING DIVERSIFIED MORTGAGE SERVICES, L.P.***, No. 2:08-CV-05805 (E.D. Pa.)

Parties: Gateway Funding Diversified Mortgage Services, L.P.  
Gateway Funding, Inc.

Assigned Attorneys: Cara M. Petersen (BCP/FP)  
David I. Monteiro

Alleged Conduct: Deceptive acts and practices in violation of Section 5, the Equal Credit Opportunity Act, and Regulation B in connection with discrimination against credit applicants on the basis of race and national origin.

Status: Complaint filed 12/16/08.  
Stipulated final judgment and order for permanent injunction entered 12/17/08.

**FTC v. GLOBAL MARKETING GROUP, INC., No. 8:06-CV-02272 (M.D. Fla.)**

Parties: Global Marketing Group, Inc.  
Global Business Solutions, LLC  
GlobalPay, Inc.  
GlobalPay, LLC  
GlobalPay BV  
Synergy Consulting Services, LLC  
First Processing Corporation  
Ira N. Rubin  
Phoelicia Daniels (relief defendant)  
Elite Funding Group, Inc.  
One World Group, LLC  
One World Corporation  
EFT Commerce, LLC  
Celsius International, LLC  
Celsius, LLC, d/b/a Global Productions  
Gemini Trading Group, LLC  
Gemini Trading Group, Inc., d/b/a Gembill  
Kwikbill.Com, LTD.  
Ewallet Express, Inc.  
One Pharm Services, Inc.  
17407, LLLP  
555018, LLC  
Marketing Services, LLC, d/b/a Med-Cost  
Merchant Provider Solutions, LLC  
Merchant Provider Solutions, LTD., d/b/a MPS, LTD.  
Unitrade Business, LLC  
Kevin D. Astl

Assigned Attorneys: James H. Davis (MWR)  
David O'Toole  
Theresa McGrew

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with processing electronic debits and credits from consumer bank accounts and facilitating advance fee credit card telemarketing fraud.

Status: Complaint filed 12/11/06.  
Ex parte TRO, asset freeze and order to show cause why a preliminary injunction should not issue entered 12/12/06.  
Stipulated preliminary injunction against the original defendants entered 1/11/07.  
First amended complaint, adding defendant Kevin D. Astl and 17 corporate defendants, filed 3/19/07.  
Motion for preliminary injunction against defendants named in first

amended complaint filed 4/9/07; granted 6/19/07.  
Joint motion to modify the stipulated preliminary injunction as to  
defendant Ira Rubin filed 6/25/07; granted 7/9/07.  
Motion for order to show cause why defendant Ira Rubin should not be  
held in contempt filed 12/14/07.  
Order granting motion for order to show cause entered 1/15/08.  
Order finding defendant Ira Rubin in contempt and issuing bench warrant  
for his arrest entered 1/30/08.  
Amended preliminary injunction extending receivership to defendant Ira  
Rubin personally entered 3/30/08.  
Clerk's entry of default against all corporate defendants 8/21/08.  
Default judgment against all corporate defendants entered 12/19/08.  
Summary judgment and final order against Ira Rubin entered 12/24/08.  
Order dismissing U.S. Financial Life Insurance Company entered 1/30/09.  
Order for permanent injunction and final judgment against defendant  
Kevin D. Astl entered 2/13/09.  
Trial scheduled to commence 7/6/09.

***FTC v. GROUP ONE NETWORKS, INC.***, No. 8:09-CV-00352 (M.D. Fla.)

Parties: Group One Networks, Inc., d/b/a Credit Line Gold Card, The USA  
Workers, TheUSAWork.com, TheUSAWorkers.com  
US GoldLine, LLC, d/b/a USGoldLine.com, Gainesway Credit,  
GaineswayCredit.com  
My Online Credit Store, LLC, d/b/a MyOnlineCredit Store.com,  
MYOnlinecr.com, Diamond Executive, NewECredit,  
NewECredit.com  
James Nicholson  
Brett Fisher

Assigned Attorneys: J. Ronald Brooke, Jr. (BCP/MP)  
Stephen L. Cohen

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the  
Telemarketing Sales Rule in connection with marketing of advance-fee  
credit cards and Do Not Call violations.

Status: Complaint filed 2/25/09.  
TRO with asset freeze entered 2/25/09.  
Stipulated preliminary injunction entered 3/25/09.

***FTC v. HANDICAPPED & DISABLED WORKSHOPS, INC.***, No. 2:08-CV-00908 (D. Ariz.)

Parties: Handicapped & Disabled Workshops, Inc., f/k/a Handi-Tech Company  
Handi-Hope Industries, Inc.  
Handi-Ship, LLC  
Bruce D. Peeples  
George Thomas  
Joshua D. Abramson

Assigned Attorneys: Kathleen Benway (BCP-MP)  
Gary L. Ivens

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule involving soliciting purchases to benefit handicapped and disabled workers and mailing and billing consumers for unordered products.

Status: Complaint filed 5/13/08.  
TRO entered 5/16/08.  
Stipulated preliminary injunction entered 5/23/08.  
Default as to Handicapped & Disabled Workshops, Inc., Handi-Hope Industries, Inc., and Handi-Ship LLC entered 6/23/08.  
Motion for default judgment against Handicapped & Disabled Workshops, Inc., Handi-Hope Industries, Inc. and Handi-Ship, LLC filed 9/11/08; order granting in part and denying in part entered 10/14/08.  
Amended complaint filed 12/4/08.  
Stipulated final judgments and orders for permanent injunction against defendants Bruce D. Peeples, Joshua D. Abramson, and George Thomas entered 12/10/08.

***FTC v. HELPING HANDS OF HOPE, INC.***, No. 2:08-CV-00909 (D. Ariz.)

Parties: Helping Hands of Hope, Inc.  
U.S. Blind Services, Inc.  
Employment Opportunities of America, Inc.  
Third Strike Employment, Inc.  
Robyn Mayhan

Assigned Attorneys: John D. Jacobs (WR)  
Barbara Chun

Alleged Conduct: Violations of Section 5, the Telemarketing Sales Rule, and the Unordered Merchandise Statute involving the sale of products to ostensibly benefit the disabled and sending consumers products not ordered.

Status: Complaint filed 5/13/08.  
TRO with asset freeze entered 5/13/08.  
Stipulated order extending TRO entered 5/21/08.  
Preliminary injunction entered 6/13/08.

***FTC v. HOME ASSURE, LLC***, No. 8:09-CV-00547 (M.D. Fla.)

Parties: Home Assure, LLC  
B Home Associates, LLC, d/b/a Expert Foreclosures  
Brain Blanchard  
Michael Grieco  
Michael Trimarco  
Nicolas Molina

Assigned Attorneys: Ann F. Weintraub (NER)  
David W. Dulabon  
Darren Lubetsky

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with mortgage foreclosure relief services and refunds of consumers' fees.

Status: Complaint filed 3/24/09.  
TRO with asset freeze entered 3/26/09.

***FTC v. HOPE NOW MODIFICATIONS, LLC***, No. 1:09-CV-01204 (D.N.J.)

Parties: Hope Now Modifications, LLC  
Hope Now Financial Services Corp., d/b/a Hope Now Modifications  
Nick Puglia  
Salvatore Puglia

Assigned Attorneys: Gregory Ashe (BCP/FP)  
Lawrence Hodapp  
Stephanie Rosenthal

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with mortgage loan modification services, refunds, and affiliation with another organization.

Status: Complaint filed 3/17/09.  
TRO entered 3/19/09.

***FTC v. INNOVATIVE MARKETING, INC.***, No. 1:08-CV-03223 (D. Md.)

Parties: Innovative Marketing, Inc., d/b/a Billingnow, BillPlanet PTE Ltd.,  
Globedat, Innovative Marketing Ukraine, Revenue Response  
Sunwell, Synergy Software BV, Winpayment Consultancy SPC,  
Winsecure Solutions, Winsolutions FZ-LLC  
ByteHosting Internet Services, LLC  
James Reno, d/b/a Setupahost.net  
Sam Jain  
Daniel Sundlin, d/b/a Vantage Software, Winsoftware, Ltd.  
Marc D'Souza, d/b/a Web Integrated Net Solutions  
Kristy Ross  
Maurice D'Souza (relief defendant)

Assigned Attorneys: Ethan Arenson (BCP/MP)  
Colleen B. Robbins  
Carmen L. Christopher

Alleged Conduct: Deceptive acts and practices in violation of Section 5 involving computer security software purchases, scans, and advertising.

Status: Complaint filed 12/2/08.  
TRO entered 12/2/08.  
Preliminary injunction entered 12/12/08.  
Civil contempt order against Innovative Marketing for violation of TRO entered 12/19/08.



***FTC v. INTEGRITY FINANCIAL ENTERPRISES, LLC***, No. 8:08-CV-00914 (M.D. Fla.)

Parties: Integrity Financial Enterprises, LLC, d/b/a Infinity Financial, National Benefit Exchange  
National Benefit Exchange  
Robert J. Fischbach

Assigned Attorneys: Ann F. Weintraub (NER)  
Robin E. Eichen

Alleged Conduct: Deceptive practices involving offers of credit cards with advance fees in violation of Section 5 and the Telemarketing Sales Rule.

Status: Complaint filed 5/13/08.  
TRO entered 5/14/08.  
Stipulated preliminary injunction entered 5/28/08  
Default as to Integrity Financial Enterprises, LLC and National Benefit Exchange, Inc. entered 6/23/08.  
Stipulated final judgment and order for permanent injunction against Robert J. Fischbach entered 12/5/08.

***FTC v. INTERBILL, LTD.***, No. 2:06-CV-01644 (D. Nev.)

Parties: InterBill, Ltd.  
Thomas Wells

Assigned Attorneys: Tracy Thorleifson (NWR)  
Mary Benfield  
Blaine T. Welsh (AUSA)

Alleged Conduct: Violations of Section 5 in connection with providing payment processing services that debited consumers' checking accounts, without authorization, for fraudulent medical discount cards.

Status: Complaint filed 12/26/06.  
Defendants' answer impleading Wells Fargo Bank as third party defendant filed 4/23/07.  
Third party defendant Wells Fargo answer filed 7/16/07  
Third party defendant Wells Fargo motion to dismiss filed 12/05/07; defendants' response filed 2/19/08; third party defendant Wells Fargo's reply filed 3/4/08.  
Commission's motion for summary judgment filed 1/17/08; defendants' response filed 2/19/08; Commission's reply filed 3/4/08.  
Joint motion to stay proceedings pending ruling on motion for summary judgment filed 2/22/08.  
Oral argument on Commission's motion for summary judgment held 4/9/08.  
Order granting summary judgment, directing Commission to submit proposed order, and granting motion to dismiss of third party defendant Wells Fargo entered 4/9/08.  
Commission proposed order and supplemental memorandum on injunctive relief filed 4/17/08; defendants' response and objections filed 5/5/08; Commission's reply filed 5/12/08.  
Order dismissing defendants' third party complaint against Wells Fargo entered 4/30/08.

***FTC v. LANE LABS-USA, INC.***, No. 2:00-CV-03174 (D.N.J.)

Parties: Lane Labs-USA, Inc.  
Cartilage Consultants, Inc.  
Andrew J. Lane  
I. William Lane

Assigned Attorneys: Connie Vecellio (BCP/ENF)  
Elsie Kappler  
Amanda C. Basta  
Susan J. Steele (DOJ/CIV)

Alleged Conduct: Violations of stipulated final orders in relation to the marketing and sale of two dietary supplements.

Status: Complaint filed 6/28/00.  
Stipulation and final order as to defendants Cartilage Consultants and I. William Lane entered 6/30/00.  
Notice of refiling of stipulation and final order as to defendants Lane Labs-USA and Andrew J. Lane entered 9/27/00.  
Stipulation and final order for consumer redress and disbursement of funds entered 10/17/00.  
Motion to hold Lane Labs-USA, Andrew Lane, and I. William Lane in contempt filed 1/12/07; opposition filed 3/19/07; order granting motion to hold defendants in contempt entered 12/18/07.  
Trial set for 4/20/09.

***FTC v. LATRESE & KEVIN ENTERPRISES, INC.***, No. 3:08-CV-01001 (M.D. Fla.)

Parties: Latrese & Kevin Enterprises, Inc., d/b/a Hargrave & Associates, Financial Solutions  
Latrese Hargrave, a/k/a Latrese V. Williams  
Kevin Hargrave Sr.

Assigned Attorney: Jessica D. Gray (SER)

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Credit Repair Organizations Act in connection with the marketing, promotion, and sale of credit repair services.

Status: Complaint filed 10/20/08.  
Order granting in part and denying in part TRO entered 10/23/08.  
Stipulated preliminary injunction with asset freeze entered 11/3/08.

*FTC v. LESHIN*, No. 09-11679 (11th Cir.); No. 0:06-CV-61851 (S.D. Fla.)

Parties: Randall Leshin  
Randall L. Leshin, P.A., d/b/a Express Consolidation, Express  
Consolidation, Inc., and Consumer Credit Consolidation, Inc.  
Maureen A. Gaviola  
Charles Ferdon

Assigned Attorneys: Michael Tankersley (BCP/MP)  
Philip P. Tumminio  
David Sieradzki (OGC)

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in making  
misrepresentations about non-profit status and the fees and benefits of the  
defendants' debt consolidation programs.

Status: Complaint filed 12/11/06.  
Stipulated interim order entered 1/26/07.  
Amended complaint, adding defendant Charles Ferdon and an additional  
Section 5 misrepresentation count, filed 3/21/07.  
Commission's motion for order to show cause why Defendants Leshin,  
Randall L. Leshin, P.A., and Express Consolidation, Inc. should  
not be held in contempt for violating stipulated interim order filed  
5/11/07.  
Motion for partial summary judgment on Section 5 and TSR counts filed  
6/5/07; denied 1/7/08.  
Stipulated permanent injunctions and judgment as to all defendants  
entered 5/5/08.  
Motion for relief from final judgment by Randall L. Leshin, Randall  
L. Leshin, P.A., Express Consolidation, Inc., and Charles Ferdon  
filed 6/30/08.  
Order denying motion for relief from final judgment entered 8/5/08.  
Commission motion for contempt as to defendants Randall Leshin,  
Randall Leshin, P.A., Express Consolidation, Inc., Charles Ferndon,  
and non-party Debt Management Counseling Center, Inc. filed  
1/28/09; response filed 2/9/09; hearing held 2/13/09 and 2/17/09.  
Order granting motion for contempt for violating stipulated permanent  
injunction entered 3/27/09; amended 4/3/09.  
Notice of appeal filed 4/1/09.

***FTC v. MAGAZINE SOLUTIONS***, No. 2:07-CV-00692 (W.D. Pa.)

**Parties:** Magazine Solutions, LLC, d/b/a/ MagazineSolutions, United Publishers' Service, Read-N-Save America  
United Publishers' Service, Inc., d/b/a/ Magazine Solutions, MagazineSolutions, Read-N-Save America  
Joseph Martinelli  
Barbara DeRiggi  
James Rushnock

**Assigned Attorneys:** Michael Milgrom (ECR)  
Julie Lady

**Alleged Conduct:** Violations of Section 5 of the FTC Act and the Telemarketing Sales Rule in connection with conducting a nationwide telemarketing campaign that purports to offer free coupons but actually sells magazine subscriptions.

**Status:** Complaint filed 5/23/07.  
Motion for preliminary injunction filed 5/24/07; entered 8/16/07.  
Order granting preliminary injunction as to defendants Magazine Solutions, United Publishers Service, and Joseph Martinelli, and denying preliminary injunction as to defendants Barbara DeRiggi and James Rushnock entered 6/20/07.  
Commission's motion to strike defendant's affirmative defenses filed 7/17/07; granted in part and denied in part 9/25/07.  
Defendant's motion to stay filed 9/4/07; motion denied 9/21/07.  
Commission's motion for contempt against defendants Magazine Solutions, United Publishers' Service, Inc. and Joseph Martinelli filed 12/5/07; defendants' response filed 12/21/07.  
Commission's motion for asset preservation over defendants Magazine Solutions and United Publishers' Service, Inc. filed 12/19/07; defendants' response filed 1/4/08.  
Order holding defendants in contempt of preliminary injunction and granting injunctive relief entered 1/16/08.  
Order granting Commission's motion for asset preservation order entered 1/16/08.  
Defendants' motion to reconsider asset preservation order filed 2/6/08; Commission's opposition filed 2/19/08; defendants' motion denied 3/10/08.  
Commission's motion for sanctions filed 4/9/08; defendants' response filed 4/24/08; denied 5/13/08.  
Commission's and Barbara DeRiggi's motions for summary judgment filed 5/7/08; responses in opposition to motions for summary judgment filed 7/21/08; replies filed 8/7/08.  
Summary judgment granted in part and denied in part 12/1/08.  
Trial held 3/30/09 to 4/1/09.

***FTC v. MARKET DEVELOPMENT SPECIALISTS, INC.***, No. 3:09-CV-00124 (N.D. Cal.)

Parties: Market Development Specialists, Inc, d/b/a Wintergreen Specialists  
John Levy

Assigned Attorneys: Kerry O'Brien (WR-SF)  
Linda K. Badger  
Matthew D. Gold

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with  
the offering of mail-in rebates.

Status: Complaint filed 1/12/09.  
Stipulated final judgment and order for permanent injunction and other  
relief entered 2/3/09.

***FTC v. MEDICAL BILLERS NETWORK, INC.***, No. 1:05-CV-02014 (S.D.N.Y.)

Parties: Medical Billers Network, Inc.  
Chris Taylor  
Caceres Quality Distribution, Inc.  
Wilson Jose Caceres  
Knarek Kalantaryan (relief defendant)

Assigned Attorneys: Jonathan Platt (NER)  
Mazor Matzkevich  
Carole Paynter

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of medical billing employment opportunities.

Status: Complaint filed 2/10/05.  
TRO entered 2/18/05; extended 2/28/05; 3/18/05.  
Stipulated preliminary injunction entered 3/23/05.  
Amended complaint for injunctive and other equitable relief, adding defendants Caceres Quality Distribution, Inc. and Wilson Jose Caceres and relief defendant Knarek Kalantaryan, filed 7/1/05.  
Motion for contempt filed 9/30/05.  
Stipulated order of contempt and modified preliminary injunction entered 12/6/05.  
Order adjudging defendant Caceres in civil contempt entered 3/17/06.  
Order denying Commission's request for defendant Caceres to restore assets subject to the asset freeze entered 6/21/06.  
Commission's motion for summary judgment filed 2/13/07; opposition and cross-motion for summary judgment by defendants Chris Taylor and Wilson Jose Caceres filed 5/29/07.  
Motion for summary judgment by defendants Taylor and Medical Billers Network, Inc. filed 5/29/07; Commission's opposition and reply filed 8/24/07.  
Order granting in part and denying in part Commission's motion for summary judgment and granting in part and denying in part defendants' motion for summary judgment entered 3/31/08.

***FTC v. MEDLAB, INC.***, No. 3:08-CV-00822 (N.D. Cal.)

Parties: Medlab, Inc.  
Pinnacle Holdings, Inc.  
Metabolic Research Associates, Inc.  
U.S.A. Health, Inc.  
L. Scott Holmes

Assigned Attorneys: Kerry O'Brien (WR-SF)  
Evan Rose  
Sarah Schroeder

Alleged Conduct: Violation of Sections 5 and 12 in connection with falsely claiming that its weight-loss pills cause users to lose weight without dieting or exercise.

Status: Complaint filed 2/6/08.  
Defendants' answer filed 4/4/08.  
Commission's motion to strike affirmative defenses and jury demand filed 4/24/08; defendants' opposition filed 6/19/08; Commission's reply to opposition filed 7/3/08.  
Order granting in part and denying in part Commission's motion to strike affirmative defenses and granting Commission's motion to strike jury demand entered 7/22/08.  
Commission's motion for summary judgment filed 1/9/09; defendants' opposition filed 2/24/09; Commission's reply filed 3/13/09.

***FTC v. MORTGAGE FORECLOSURE SOLUTIONS, INC.***, No. 8:08-CV-00388 (M.D. Fla.)

Parties: Mortgage Foreclosure Solutions, Inc.  
Debra Behrens  
Michael Siani

Assigned Attorney: Dama J. Brown (SER)

Alleged Conduct: Violations of Section 5 in connection with mortgage foreclosure rescue fraud.

Status: Complaint filed 2/26/08.  
TRO entered 2/27/08.  
Stipulated preliminary injunction entered 3/7/08.  
Stipulated final judgment and permanent injunction entered 1/5/09.



***FTC v. MYSTERY SHOP LINK, LLC***, No. 2:07-CV-01791 (C.D. Cal.)

Parties: Mystery Shop Link, LLC  
Tangent Group, LLC  
Robin Larry Murphy  
Kenneth Johnson  
Andrew Holman  
Harp Marketing Services Inc.  
Aiden Reddin  
Marc Gurney

Assigned Attorneys: Guy G. Ward (MWR)  
David A. O'Toole  
John D. Jacobs (WR-LA)

Alleged Conduct: Violations of Section 5 and in contempt of a 1997 final order in a related case in connection with a "mystery shopping" employment scam.

Status: Complaint filed 3/16/07.  
Motion for preliminary injunction filed 3/23/07.  
Stipulated order for preliminary injunction as to defendants Kenneth Johnson and Robin Larry Murphy entered 4/19/07.  
Stipulated order for preliminary injunction as to defendants Mystery Shop Link, LLC, Tangent Group, LLC, and Andrew Holman entered 5/2/07.  
Stipulated order for preliminary injunction as to defendants Harp Marketing Services, Inc., Aiden Reddin, and Marc Gurney entered 5/3/07.  
Stipulated order for permanent injunction and final judgment as to defendants Mystery Shop Link, LLC, Tangent Group, LLC, Robin Larry Murphy, Andrew Holman, and Kenneth Johnson entered 12/3/08.  
Stipulated order for permanent injunction and final judgment as to remaining defendants entered 12/12/08.

***FTC v. NATIONAL AUDIT DEFENSE NETWORK, INC.***, No. 2:02-CV-00131 (D. Nev.)

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

Assigned Attorneys: Janice L. Charter (WR-SF)  
Erika Wodinsky  
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.  
Commission's motion for summary judgment filed 1/14/05; defendant Coolidge's response filed 2/7/05; defendant Christie's response filed 2/8/05; defendant Rodrigues' response filed 2/11/05; Commission's replies filed 2/22/05.  
Defendant Rodrigues' motion for summary judgment filed 1/14/05; Commission's response filed 2/4/05; reply filed 2/17/05.  
Defendant Christie's motion for summary judgment filed 1/21/05; Commission's response filed 1/31/05; reply filed 2/11/05.  
Order granting Commission's motion for summary judgment against Weston J. Coolidge and Oryan Management, Inc and denying Commission's motion for summary judgment against Cort Christie entered 10/12/05.  
Order denying Christie's motion for summary judgment entered 10/12/05.  
Order denying Commission's motion for summary judgment against Alan Rodrigues, and denying Rodrigues' motion for summary judgment, subject to reinstatement after Rodrigues obtains a new attorney, entered 10/12/05.  
Commission's request for reinstatement of its motion for summary judgment against Alan Rodrigues filed 11/16/05.  
Stipulated final judgment and order for permanent injunction and other equitable relief as to defendant National Audit Defense Network, Inc. entered 8/25/06.

Supplement to Commission's motion for summary judgment against Alan Rodrigues filed 9/24/08.

***FTC v. NATIONAL FORECLOSURE RELIEF, INC.***, No. 8:09-CV-00117 (C.D. Cal.)

Parties: National Foreclosure Relief, Inc.  
David Ealy  
Chele Stone, a/k/a Chele Medina  
Hugo Tapia

Assigned Attorneys: John D. Jacobs (WR-LA)  
Barbara Y.K. Chun  
Maricela Segura  
Faye Chen Barnouw

Alleged Conduct: Deceptive acts and practices in violation of Section 5 involving claims to stop mortgage foreclosures.

Status: Complaint filed 2/2/09.  
TRO with asset freeze and other equitable relief entered 2/2/09.  
Preliminary injunction entered 3/6/09.

***FTC v. NATIONAL HOMETEAM SOLUTIONS, LLC***, No. 4:08-CV-00067 (E.D. Tex.)

Parties: National HomeTeam Solutions, LLC  
National Financial Solutions, LLC  
United Financial Solutions, LLC  
Nationwide Foreclosure Services, LLC  
Evalan Services, LLC  
Elant, LLC  
Elias H. Taylor, a/k/a Eli Taylor  
Everard Taylor, a/k/a Everardo Taylor  
Emanuel Taylor  
Edwin P. Taylor, Sr., a/k/a Ed Taylor

Assigned Attorneys: Sarah Schroeder (WR-SF)  
Dean C. Graybill  
Evan Rose  
Janice L. Charter  
Emily Robinson (SWR)

Alleged Conduct: Violations of Section 5 in connection with advertising and offering for sale service to homeowners that purports to stop home foreclosure sales.

Status: Complaint filed 2/26/08.  
TRO entered 2/27/08.  
Stipulated preliminary injunction entered 3/6/08.  
Stipulated permanent injunctions and final orders as to all defendants entered 9/8/08.

***FTC v. NATIONAL PRIZE INFORMATION GROUP CORP.***, No. 2:06-CV-01305 (D. Nev.)

Parties: National Prize Information Group Corp. d/b/a Las Vegas Actionable Awards Program; Prize Search Express; Department of Unclaimed Awards; United States Sweepstakes Advisory; United States of America Patriotism Awards; National Bureau of Prize Information; Lapham Vargas and Cornell; and Directors Office John Rincon

Assigned Attorneys: Laura Fremont (WR-SF)  
Janice L. Charter  
Kenneth H. Abbe (WR-SF)  
Blaine T. Welsh (AUSA)

Alleged Conduct: Violations of Section 5 in connection with mailing deceptive representations about sweepstakes and cash prizes to consumers.

Status: Complaint filed 10/18/06.  
TRO, asset freeze and order to show cause entered 10/18/06.  
Preliminary injunction entered 11/27/06.  
Defendants' answer filed 12/18/06.  
Commission's motion for summary judgment filed 3/16/07.  
Order granting motion for summary judgment entered 7/29/08.

***FTC v. NATIONAL UROLOGICAL GROUP, INC.***, No. 09-10617 (11th Cir.); No. 1:04-CV-03294 (N.D. Ga.)

Parties: National Urological Group, Inc., d/b/a Warner Laboratories  
National Institute for Clinical Weight Loss, Inc.  
Hi-Tech Pharmaceuticals, Inc.  
Jared Wheat  
Thomasz Holda  
Michael Howell  
Stephen Smith  
Terrill Mark Wright, M.D.

Assigned Attorneys: Sydney M. Knight (BCP/AP)  
Tawana E. Davis  
Edward Glennon  
Mary Johnson  
Theodore Hoppock  
Leslie Melman (OGC)

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

Status: Complaint filed 11/10/04.  
Stipulated final order for permanent injunction and settlement of claims for monetary relief against Michael Howell filed 4/14/05.  
Order granting in part and denying in part Commission's motion to strike defendants' affirmative defenses and to dismiss counterclaims, and granting motion to strike jury demand entered 6/24/05.  
Order granting consent motion to extend discovery entered 2/28/06.  
Commission's motion to lift protective order and compel discovery from Terrill Mark Wright, M.D. filed 4/20/06; order granting in part and denying in part entered 6/6/06.  
Commission's answer to counterclaims of defendant National Urological Group and National Institute for Clinical Weight Loss, Inc. filed 6/9/06.  
Order administratively closing case, pending the status of defendant Wright's health and availability for deposition, entered 8/10/06.  
Order permitting parties to complete other discovery that can be conducted without defendant Wright entered 8/14/06.  
Order granting motion to reopen case entered 5/22/07.  
Defendants' motion for summary judgment filed 8/24/07; Commission's opposition filed 11/5/07; reply brief filed 12/15/07.  
Order granting the Commission's motion to strike the defendants' reply brief and directing defendants to re-file their brief in compliance with the page limit entered 12/28/07.  
Defendants' reply brief filed 3/19/08.

Order granting the Commission's motion for summary judgment and denying defendants' motion for summary judgment entered 6/4/08. Defendants' objections to order filed 6/23/08; Commission's response filed 7/9/08.

Final judgment entered 12/16/08.

Defendants' motions to alter or amend judgment and for stay filed 12/31/08; order denying motion to alter or amend judgment entered 1/16/09.

Notice of appeal filed 2/4/09.

Appellants' brief due 4/27/09; Commission's answering brief due 5/27/09.

***FTC v. NATIONWIDE CONNECTIONS, INC.***, Nos. 07-14531-EE, 06-16635-EE (11th Cir.); No. 9:06-CV-80180 (S.D. Fla.); No. 5:07-CV-05758 (N.D. Cal.); No. 07-05156 (Bankr. N.D. Cal.)

Parties: Nationwide Connections, Inc.  
Access One Communications, Inc.  
Network One Services, Inc.  
Willoughby Farr  
Mary Lou Farr  
Yaret Garcia  
Erika Riaboukha  
Qaadir Kaid  
Billing Concepts, Inc.  
ACI Billing Services, Inc., d/b/a OAN  
BSG Clearing Solutions North America, LLC  
The Billing Resource, d/b/a Integretel

Assigned Attorneys: Collot Guerard (BCP/MP)  
Robert Schoshinski  
Michael Mora (BCP/ENF)  
Lawrence DeMille-Wagman (OGC)

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 in connection with the initiation of phone charges for purported long distance collect calls.

Status: Complaint filed 2/27/06.  
TRO, asset freeze and preliminary injunction order entered 3/8/06.  
First amended complaint adding defendants Billing Concepts, Inc., ACI Billing Services, Inc. d/b/a OAN, BSG Clearing Solutions North America, LLC and The Billing Resource d/b/a Integretel filed 9/21/06.  
Amended preliminary injunction order entered 9/22/06.  
Contempt order against Willoughby Farr, Mary Lou Farr and Danny Trujillo (non-party) entered 9/22/06.  
Notice of appeal of amended preliminary injunction by defendant The Billing Resource d/b/a Integretel (“Integretel”) (No. 06-16635) filed 11/11/06.  
Order by 11th Cir. granting Integretel's motion to stay appeal pending district court's resolution of motion to modify amended preliminary injunction entered 1/29/07.  
Order by district court denying Integretel's motion to amend preliminary injunction entered 9/14/07.  
Integretel's petition for Chapter 11 bankruptcy in N.D. Cal. bankruptcy court filed 9/16/07.  
District court order staying all proceedings against Integretel due to its bankruptcy filing entered 9/20/07; order vacated 9/21/07.



Commission's adversary complaint in N.D. Cal. bankruptcy court (No. 07-5156) filed 9/20/07.

Notice of appeal by Integretel from orders of 9/14/07 and 9/21/07 filed 9/24/07.

Integretel's emergency motion in district court for stay pending appeal filed 9/25/07; order conditionally granting motion, provided Integretel transfers \$1.7 million to the Receiver, entered 9/27/07.

Integretel's emergency motion for stay pending appeal in 11th Cir. filed 10/11/07; Commission's opposition filed 10/15/07.

Order by 11th Cir. temporarily granting Integretel's emergency motion for stay pending appeal entered 10/17/07.

Stipulated final judgment and permanent injunction as to defendant Mary Lou Farr entered 10/24/07.

Order by 11th Cir. denying Integretel's emergency motion for stay pending appeal and terminating temporary stay entered 11/5/07.

Motion for summary judgment against defendants Billing Concepts, Inc., ACI Billing Services, Inc. d/b/a OAN, BSG Clearing Solutions North America, LLC, Willoughby Farr, Yaret Garcia, Erike Riaboukha, and Qaadir Kaid filed 11/6/07.

Order by bankruptcy court enjoining FTC from prosecuting enforcement action entered 11/7/07.

Commission's notice of appeal from 11/7/07 bankruptcy court order filed 11/8/07.

Commission's motion in N.D. Cal. for stay pending appeal of 11/7/07 bankruptcy court order and for change of venue filed 11/15/07.

Order by bankruptcy court enjoining FTC and the receiver in the enforcement action from pursuing a contempt proceeding ancillary to the enforcement action entered 11/27/07.

Commission's notice of appeal from 11/27/07 bankruptcy court order filed 11/28/07.

Commission's motion in N.D. Cal. for stay pending appeal of 11/27/07 bankruptcy court order filed 11/30/07.

Integretel's brief in 11th Cir. filed 12/3/07; Commission's response filed 2/4/08; Integretel's reply brief filed 2/28/08.

Order by N.D. Cal. denying Commission's stay motions and change of venue motion entered 3/7/08.

Stipulated final judgment and order for permanent injunction and consumer redress as to defendant Willoughby Farr entered 2/19/08.

Stipulated final judgment and order for permanent injunction and consumer redress as to defendants Billing Concepts, Inc., ACI Billing Services, Inc. d/b/a Oan, and BSG Clearing Solutions North America, LLC entered 3/18/08.

Order by bankruptcy court extending preliminary injunction enjoining Commission enforcement action through 6/14/08 entered 3/18/08.

Commission's notice of appeal from 3/18/08 bankruptcy court order filed 3/19/08.

Stipulated final judgment and order for permanent injunction and consumer redress as to defendant Qaadir Kaid entered 3/28/08.  
Stipulated final judgment and order for permanent injunction and consumer redress as to defendant Erika Riaboukha entered 4/7/08.  
Stipulated final judgment and order for permanent injunction and consumer redress as to defendant Yaret Garcia entered 4/11/08.  
Stipulated final judgment and order for permanent injunction as to defendant The Billing Resource, d/b/a Integretal entered 9/18/08.  
Stipulation of dismissal of N.D. Cal. bankruptcy adversary proceeding (No. 07-05156) filed 11/14/08; order dismissing proceeding entered 12/31/08.  
Order dismissing 11th Cir. appeals with prejudice entered 12/9/08.  
Order dismissing N.D. Cal. appeals of bankruptcy orders entered 12/16/08.

***FTC v. NATIONWIDE CREDIT SERVICES, INC.***, No. 3:08-CV-01000 (M.D. Fla.)

Parties: Nationwide Credit Services, Inc.  
James R. Dooley

Assigned Attorney: Barbara E. Bolton (SER)

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Credit Repair Organizations Act in connection with the marketing, promotion, and sale of credit repair services.

Status: Complaint filed 10/20/08.  
TRO with asset freeze entered 10/20/08.  
Stipulated preliminary injunction with asset freeze entered 10/27/08.

**FTC v. NEISWONGER**, No. 08-3077 (8th Cir.); No. 4:96-CV-02225 (E.D. Mo.)

Parties: Richard C. Neiswonger  
William S. Reed  
Asset Protection Group, Inc.

Assigned Attorneys: Joshua Millard (BCP/ENF)  
Melinda Claybaugh  
Michele Arington (OGC)

Alleged Conduct: Civil contempt action for violations of a 1997 permanent injunction in connection with marketing a business opportunity.

Status: Complaint filed 11/13/96.  
Stipulated final judgment and order for permanent injunction entered 2/28/97.  
Motions for a civil contempt order, ex parte TRO and preliminary injunction filed 7/17/06.  
TRO and order to show cause entered 7/17/06; extended to 10/25/06.  
Show cause hearings held 10/25-26/06.  
Second permanent injunction modifying permanent injunction as to defendant Neiswonger entered 4/23/07.  
Civil contempt order entered 4/23/07.  
Preliminary injunction entered 6/12/07.  
Show cause hearing as to a permanent injunction against defendants Reed and Asset Protection Group, Inc. scheduled for 8/29/07; rescheduled for 11/1/07.  
Commission's proposed stipulated order for permanent injunction as to defendants in *FTC v. Asset Protection Group, Inc.* filed 9/28/07; entered 10/23/07.  
Commission's proposed amended civil contempt order against all defendants filed 4/4/08; defendant Neiswonger's objection filed 4/11/08; Commission's reply filed 4/21/08.  
Amended civil contempt order against all defendants entered 7/30/08.  
Defendants' motion to stay amended civil contempt order pending appeal filed 8/11/08; Commission's opposition filed 8/18/08; order denying stay entered 10/16/08.  
Notice of appeal by defendants filed 8/27/08.  
Commission's motion for contempt of amended civil contempt order filed 9/19/08; defendant Neiswonger's response filed 9/25/08; Commission's reply filed 10/2/08.  
Motion of appellant Reed to dismiss appeal filed 11/17/08; order dismissing appeal entered 12/18/08.  
Appellant Neiswonger's brief filed 11/17/08.  
Commission's brief filed 1/12/09.  
Appellant's reply brief filed 2/9/09.

*FTC v. NEOVI, INC.*, No. 09-55093 (9th Cir.); No. 3:06-CV-01952 (S.D. Cal.)

Parties: Neovi, Inc., d/b/a Neovi Data Corporation and Qchex.com  
G7 Productivity Systems, Inc., d/b/a Qchex.com  
James M. Danforth  
Thomas Villwock

Assigned Attorneys: Deborah Matties (BCP/MP)  
Russell Deitch  
Sana C. Chriss  
Arturo DeCastro  
John D. Jacobs (WR-LA)  
Lawrence DeMille-Wagman (OGC)

Alleged Conduct: Unfair practices in violation of Section 5 in connection with the offering and sale of online check services.

Status: Complaint filed 9/19/06.  
Memorandum of points and authorities in support of plaintiff's motion for TRO with other equitable relief and order to show cause filed 9/19/06; joint stipulation and TRO with other equitable relief entered 9/22/06.  
Show cause hearing held 11/17/06.  
Motion for preliminary injunction denied 1/19/07.  
Order granting Commission's motion for summary judgment entered 9/16/08.  
Commission's supplemental brief on injunctive relief filed 10/7/08; defendants' supplemental brief in response filed 10/29/08; Commission's reply filed 11/21/08.  
Defendants' motion for reconsideration of order granting summary judgment filed 10/16/08; Commission's response in opposition filed 11/20/08; defendants' reply filed 11/25/08; order denying motion for reconsideration entered 1/7/09.  
Final order for permanent injunction and other equitable relief entered 1/7/09.  
Notice of appeal by defendants filed 1/16/09.  
Appellants' brief due 5/4/09; Commission's answering brief due 6/4/09.

***FTC v. NETWORK SERVICES DEPOT, INC.***, No. 2:05-CV-00440 (D. Nev.)

Parties: Network Services Depot, Inc.  
Network Marketing, LLC, d/b/a Network Services Marketing  
Net Depot, Inc.  
Network Services Distribution, Inc.  
Sunbelt Marketing, Inc.  
Charles V. Castro  
Elizabeth L. Castro  
Gregory High  
Phyllis Watson (relief defendant)

Assigned Attorneys: Lisa D. Rosenthal (WR-SF)  
Kerry O'Brien  
Mark Hegedus (OGC)

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

Status: Complaint filed 4/5/05.  
TRO with asset freeze entered 4/6/05.  
Stipulated preliminary injunction as to all defendants except Net Depot, Inc., entered 4/14/05.  
Defendants' motion for summary judgment or, alternatively, summary adjudication, filed 11/29/05; Commission's response filed 12/16/05.  
Stipulation of dismissal of defendant Net Depot, Inc. filed 12/12/05; granted 12/21/05.  
Commission's motion for summary judgment filed 11/29/05; defendants' opposition filed 12/16/05.  
Order granting Commission's motion for summary judgment and denying defendants' motion for summary judgment entered 9/29/06.  
Final judgment and order against all defendants entered 3/5/09.

***FTC v. NEW HOPE PROPERTY LLC***, No. 1:09-CV-01203 (D.N.J.)

Parties: New Hope Property LLC, d/b/a New Hope Modifications LLC  
Brian Mammoccio  
Donna Fisher

Assigned Attorneys: Gregory Ashe (BCP/FP)  
Lawrence Hodapp  
Stephanie Rosenthal

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with mortgage loan modification services, refunds, and affiliation with another organization.

Status: Complaint filed 3/17/09.  
TRO entered 3/19/09.

***FTC v. NEXTCLICK MEDIA, LLC***, No. 3:08-CV-01718 (N.D. Ca.)

Parties Nextclick Media, LLC, d/b/a StopSmoking180.com,  
StopSmokingResolution.com, BeautifulSkin.com,  
OnLineDirectProducts  
Next Internet, LLC  
Kenneth Chan  
Albert Chen

Assigned Attorney: Janice L. Charter (WR-SF)

Alleged Conduct: Violations of Section 5 in connection with offering free trials of products including herbal patches for smoking cessation.

Status: Complaint filed 3/31/08.  
Preliminary injunction entered 4/23/08.

***FTC v. NHS SYSTEMS, INC.***, No. 2:08-CV-02215 (E. D. Pa.)

Parties: NHS Systems, Inc., d/b/a National Healthcare Solutions, National Health  
Net Online  
Harry F. Bell, Jr.  
Physician Health Service, LLC  
Donna Newman  
John E. Bartholomew

Assigned Attorneys: Harris A. Senturia (ECR)  
Julie A. Lady

Alleged Conduct: Deceptive practices in violation of Section 5 involving misrepresentations  
of affiliation with U.S. government agencies, promises of tax  
refunds/rebates or health benefits to obtain bank account information, and  
unauthorized billing.

Status: Complaint filed 5/13/08.  
TRO with asset freeze entered 5/14/08.  
Stipulated preliminary injunction as to all defendants except John E.  
Bartholomew entered 6/10/08.  
Stipulated preliminary injunction as to defendant John E. Bartholomew  
entered 1/30/09.

***FTC v. OVATION PHARMACEUTICALS, INC.***, No. 0:08-CV-06379 (D. Minn.)

Party: Ovation Pharmaceuticals, Inc.

Assigned Attorney: Kyle Chadwick (BC)

Alleged Conduct: Action for a permanent injunction and other equitable relief for violations  
of Section 5 of the FTC Act and Section 7 of the Clayton Act in connection  
with the monopolization of drugs used to treat infants with a congenital  
heart defect.

Status: Complaint filed 12/16/08.

***FTC v. PAYNELESS CREDIT REPAIR LLC***, No. 3:08-CV-01160 (N.D. Tex.)

Parties: Payneless Credit Repair LLC  
Lesley L. Payne

Assigned Attorneys: Thomas B. Carter (SWR)  
Eliseo N. Padilla  
James E. Elliott

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Credit Repair Organizations Act in connection with the sale of credit repair services.

Status: Complaint filed 7/10/08.  
TRO with asset freeze entered 7/10/08.  
Stipulated preliminary injunction entered 7/17/08.  
Stipulated final judgment and order for permanent injunction entered  
12/23/08.



**FTC v. PEOPLES CREDIT FIRST, LLC**, Nos. 04-16615-CC, 06-11827, 06-13254 (11th Cir.);  
No. 8:03-CV-02353 (M.D. Fla.); No. SC08-1009 (Fla. S. Ct.)

Parties: Peoples Credit First, LLC  
Consumer Preferred, LLC, f/k/a Consumer First, LLC  
Shaun Olmstead  
Julie Connell

Assigned Attorneys: Valerie M. Verduce (SER)  
John A. Singer (OGC)

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

Status: Complaint filed 11/10/03.  
TRO with asset freeze entered 11/10/03.  
Stipulated preliminary injunction continuing asset freeze entered  
12/23/03.  
Commission's motion for summary judgment filed 10/27/04.  
Defendant Julie Connell's motion to strike Commission's motion for  
summary judgment filed 11/8/04; Commission's response filed  
11/10/04; order denying motion to strike entered 11/10/04.  
Defendant Shaun Olmstead's motion for summary judgment filed  
11/15/04; Commission's response filed 11/24/04.  
Defendants Peoples Credit First, LLC and Consumer Preferred, LLC's  
motion for summary judgment filed 11/18/04; Commission's  
response filed 11/24/04.  
Notice of appeal by non-parties subject to receivership filed 12/13/04.  
Appellants' brief filed 3/5/05.  
Appeal dismissed for failure to prosecute due to appellants' failure to  
correct their record excerpts to conform to the 11th Cir.'s local  
rules, 4/27/05.  
Order denying Appellants' motion to reinstate appeal entered 6/21/05.  
Order granting Commission's motion for summary judgment and denying  
defendants' motions for summary judgment, permanently enjoining  
them from advance fee loan sales, entered 12/18/05.  
Judgment in favor of the Commission holding defendants liable,  
individually and severally, for \$10,156,700 entered 12/18/05.  
Amended notice of appeal of final judgment (No. 06-11827) filed 3/17/06.  
Notice of appeal of order on motion to compel filed by defendant Shaun  
Olmstead and Julie Connell 6/2/06.  
Appellants' opening brief (No. 06-11827) filed 6/15/06; Commission's  
brief filed 8/25/06.  
Appellants' opening brief (No. 04-16615-CC) filed 9/16/06;  
Commission's brief filed 11/9/06.  
Oral argument (No. 06-11827) held 1/9/07.

Summary judgment order affirmed by Eleventh Circuit 7/19/07.  
Oral argument (No. 06-13254) held 1/22/08.  
Order by Eleventh Circuit certifying question to the Florida Supreme Court entered 5/29/08.  
Peoples Credit First's opening brief in Florida Supreme Court filed 7/29/08; Commission's answering brief filed 9/5/08; amicus brief of Prof. Daniel Kleinberger filed 9/10/08; Peoples Credit First's reply brief filed 10/1/08.  
Oral argument held 1/8/09.

***FTC v. PUBLISHERS BUSINESS SERVICES, INC.***, No. 2:08-CV-00620 (D. Nev.)

Parties: Publishers Business Services, Inc.  
Ed Dantuma, Enterprises, Inc., d/b/a Publishers Direct Services, Publishers Business Services  
Persis Dantuma  
Edward Dantuma  
Brenda Dantuma Schang  
Dirk Dantuma  
Dries Dantuma  
Jeffrey Dantuma

Assigned Attorneys: Faye Chen Barnouw (WR-LA)  
Raymond E. McKown  
Maricela Segura

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with the deceptive and abusive telemarketing of magazine subscriptions.

Status: Complaint filed 5/14/08.  
Order denying TRO and setting hearing on motion for preliminary injunction entered 5/23/08.  
Stipulated preliminary injunction entered 6/3/08.  
Commission's motion to strike affirmative defenses filed 9/2/08; defendants' response filed 9/22/08; Commission's reply filed 10/6/08; order granting in part and denying in part entered 10/16/08.  
Motion to amend complaint and add defendants filed 12/17/08.  
Amended complaint adding defendants Dirk Dantuma, Dries Dantuma, and Jeffrey Dantuma filed 2/5/09.

***FTC v. RCA CREDIT SERVICES, LLC***, No. 8:08-CV-02062 (M.D. Fla.)

Parties: RCA Credit Services, LLC  
Rick Lee Crosby, Jr.  
Brady Wellington

Assigned Attorneys: Peter Lamberton (BCP/FP)  
Michelle Grajales

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Credit Repair Organizations Act in connection with the marketing, promotion, and sale of credit repair services.

Status: Complaint filed 10/16/08.  
Preliminary injunction with asset freeze entered 10/30/08.  
Default against Brady Wellington entered 12/8/08.

***FTC v. ROEX, INC.***, No. 8:09-CV-00266 (C.D. Cal.)

Parties: Roex, Inc.  
Rodney H. Burreson  
Mark Alexander

Assigned Attorneys: David P. Frankel (BCP/AP)  
Elizabeth K. Nach  
Raymond E. McKown (WR-LA)

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with dietary supplements and devices purporting to prevent or treat serious medical conditions.

Status: Complaint filed 3/4/09.

**FTC v. RYAN**, No. 1:09-CV-00535 (D.D.C.)

Parties: Thomas Ryan

Assigned Attorneys: Douglas V. Wolfe (BCP/ENF)

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with representations of United States government affiliation to consumers seeking mortgage relief.

Status: Complaint (originally *FTC v. One or More Unknown Parties Deceiving Consumers Into Seeking Home Loan Modifications Through [HHTTP://Bailout.HUD-Gov.US](http://Bailout.HUD-Gov.US) and [HTTP://Bailout.DOHGov.US](http://Bailout.DOHGov.US)*) filed 3/20/09.  
TRO entered 3/20/09.  
Amended complaint, naming defendant Ryan, filed 3/25/09.  
Stipulated preliminary injunction entered 3/30/09.

***FTC v. SAFE HARBOUR FOUNDATION OF FLORIDA, INC.***, No. 1:08-CV-01185 (N.D. Ill.)

Parties: Safe Harbour Foundation of Florida, Inc.  
Silverstone Lending, LLC  
Silverstone Financial, LLC  
Keystone Financial, LLC  
Southeast Advertising, Inc  
MT25 LLC  
Peter J. Porcelli, II  
Bonnie A. Harris  
Christopher Tomasulo

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

Alleged Conduct: Violations of Section 5, Equity Protection Act, and the Truth in Lending Act in connection with mortgage foreclosure rescue fraud.

Status: Complaint filed 2/27/08.  
Commission's motion to reassign and consolidate case with *FTC v. Bay Area Business Council, Inc.*, 02-5762 (N.D. Ill.) filed 2/27/08; granted 5/1/08.  
Commission's motion for preliminary injunction filed 8/27/08; withdrawn with leave to refile 10/16/08.  
Commission's motion for preliminary injunction refiled 10/22/08.  
Preliminary injunction as to defendants Peter Porcelli; Safe Harbour Foundation of Florida, Inc.; Silverstone Lending, LLC; Silverstone Financial, LLC; and MT25 LLC entered 11/12/08.  
Stipulated preliminary injunction as to defendant Southeast Advertising, Inc. entered 11/12/08.

***FTC v. SELECT PERSONNEL MANAGEMENT, INC.***, No. 1:07-CV-00529 (N.D. Ill.)

Parties: Select Personnel Management, Inc., d/b/a Select Management Solutions  
1402473 Ontario Limited, d/b/a Select Home Services, Fence Crafters  
1489841 Ontario Inc., d/b/a Select Property Services  
2105635 Ontario Limited  
Special T Services Group Inc.  
United Registration Services Inc.  
James Stewart  
Luigi Paulozza  
Philip J. Richards

Assigned Attorneys: William J. Hodor (MWR)  
John C. Hallerud  
Theresa M. McGrew

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection  
with false representations about credit card interest rate reduction services.

Status: Complaint filed 1/29/07.  
TRO, asset freeze and order to show cause why a preliminary injunction  
should not issue entered 1/29/07.  
Preliminary injunction entered 2/12/07.  
Motion for default as to defendants Select Personnel Management, Inc.  
and James Stewart filed 5/11/07; granted 5/18/07.  
Amended complaint adding defendants filed 8/18/08.  
Default as to defendants 1402473 Ontario Limited; 1489841 Ontario Inc.;  
2105635 Ontario Limited; Special T Services Group Inc.; United  
Registration Services Inc.; and Philip J. Richards entered 10/31/08.  
Preliminary injunction against all defendants entered 3/6/09.

***FTC v. SPEAR SYSTEMS, INC.***, No. 1:07-CV-05597 (N.D. Ill.)

Parties: Spear Systems, Inc.  
9064-9252 Quebec, Inc.  
9151-1154 Quebec, Inc.  
HBE, Inc.  
Abaragidan Gnanendran  
Bruce Parker  
Lisa Kimsey  
Xavier Ratelle

Assigned Attorneys: Steven M. Wernikoff (MWR)  
Marissa J. Reich

Alleged Conduct: Violations of Sections 5 and 12 of the FTC Act and the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 in connection with the deceptive marketing of dietary supplement products.

Status: Complaint filed 10/3/07.  
Motion for ex parte TRO with asset freeze filed 10/3/07; granted 10/3/07.  
Stipulated preliminary injunction as to defendant Lisa Kimsey entered 10/25/07.  
Preliminary injunction as to defendant Xavier Ratelle entered 10/25/07.  
Amended complaint adding defendants filed 5/15/08.  
Stipulated order for permanent injunction and final judgment as to defendants Spear Systems, Inc., Bruce Parker, and Lisa Kimsey entered 5/23/08.  
Default judgment and order for permanent injunction and monetary relief as to defendants Xavier Ratelle, Abaragidan Gnanendran, 9151-1154 Quebec, Inc., 9064-9252 Quebec, Inc. and HBE, Inc. entered 1/30/09.

***FTC v. STEFANCHIK***, No. 07-35359 (9th Cir.); No. 2:04-CV-01852 (W.D. Wash.)

Parties: John Stefanchik  
Scott B. Christensen  
Beringer Corporation  
Atlas Marketing, Inc  
Justin W. Ely  
Premier Consulting Group, Inc.

Assigned Attorneys: Nadine S. Samter (NWR)  
Eleanor Durham  
Leslie Melman (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of a program to make money buying and selling mortgage paper.

Status: Complaint filed 8/24/04.  
Commission's motion for preliminary injunction filed 8/24/04.  
Stipulated preliminary injunction as to defendants Atlas Marketing, Inc. and Scott B. Christensen entered 10/20/04.  
Preliminary injunction as to John Stefanchik and Beringer Corporation entered 12/16/04.  
Amended preliminary injunction as to John Stefanchik and Beringer Corporation entered 1/3/05.  
First amended complaint for permanent injunction and other equitable relief, adding defendants Justin W. Ely and Premier Consulting Group, Inc., filed 4/1/05.  
Stipulated final judgments and orders for permanent injunction and other equitable relief against defendants Atlas Marketing, Inc., Premier Consulting Group, Inc., and their respective principals, Scott Christensen, and Justin Ely, entered 11/14/06.  
Commission's and defendants' motions for summary judgment filed 2/12/07; responses filed 3/5/07; replies filed 3/9/07.  
Order granting Commission's motion for summary judgment and denying defendants' motion for summary judgment entered 3/5/07.  
Final judgment and order for permanent injunction against defendants John Stefanchik and Beringer Corporation entered 4/3/07.  
Notice of appeal filed 5/4/07.  
Appellants' brief filed 1/28/08; Commission's answering brief filed 3/13/08; appellants' reply brief filed 3/31/08.  
Oral argument held 1/22/09.  
Opinion affirming District Court judgment entered 3/13/09.



***FTC v. STROBEL***, No. 2:08-CV-00326 (E.D. Tex.)

Parties: Rudolph J. Strobel, a/k/a Lee Harrison, d/b/a Lee Harrison Credit Restoration and Lee Harrison Associates Credit Restoration  
Leanna R. Harrison, d/b/a Lee Harrison Credit Restoration, Credit Restoration, and Lee Harrison Associates Credit Restoration

Assigned Attorneys: Anne D. LeJeune (SWR)  
Gary D. Kennedy  
Luis Gallegos

Alleged Conduct: Deceptive acts or practices in violation of Section 5 and the Credit Repair Organizations Act in connection with sale of credit repair services.

Status: Complaint filed 8/27/08.  
TRO with asset freeze entered 8/28/08.  
Stipulated preliminary injunction entered 9/10/08.  
Defendants' counterclaim filed 12/5/08.

***FTC v. SUCCESSFUL CREDIT SERVICE CORP.***, No. 2:08-CV-06829 (C.D. Cal.)

Parties: Successful Credit Service Corp., d/b/a Success Credit Services  
Tracy Ballard, a/k/a Tracy Ballard-Straugh

Assigned Attorneys: Jennifer Larabee (NWR)  
Nadine S. Samter  
John D. Jacobs (WR-LA)

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Credit Repair Organizations Act in connection with the marketing, promotion, and sale of credit repair services.

Status: Complaint filed 10/16/08.  
TRO with asset freeze entered 10/17/08.  
Preliminary injunction entered 10/31/08.

***FTC v. TELEBRANDS CORP.***, No. 2:07-CV-03525 (D.N.J.)

Parties: Telebrands Corp.  
TV Savings, LLC  
Ajit Khubani  
Poonam Khubani (relief defendant)

Assigned Attorneys: Constance Vecellio (BCP/ENF)  
Mark Morelli  
Leslie Melman (OGC)

Alleged Conduct: Unfair or deceptive acts or practices in connection with the marketing of an electronic muscle stimulation belt.

Status: Complaint filed 7/30/07.  
Motion to dismiss by relief defendant Poonam Khubani filed 10/9/07.  
Motion to dismiss by defendants Telebrands Corp., TV Savings, LLC, and Ajit Khubani filed 10/9/07; Commission's opposition filed 11/13/07; defendants' reply filed 11/20/07.  
Orders denying without prejudice defendants' motions to dismiss entered 6/30/08.  
Stipulation of settlement and final order entered 12/31/08.

**FTC v. TRUDEAU**, No. 08-4249 (7th Cir.); Nos. 1:03-CV-03904, 1:98-CV-00168 (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:** Laureen Kapin (BCP-ENF)  
Elizabeth Tucci  
Sandhya Prabhu  
David O'Toole (MWR)  
Lawrence DeMille-Wagman (OGC)

**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 filed 6/9/03.  
Stipulated final order for permanent injunction and settlement of claims for monetary relief as to defendants Kevin Trudeau, Shop America (USA), LLC, Shop America Marketing Group, LLC, Trustar Global Media, Limited and Relief defendants K.T. Corporation, Limited and TruCom, LLC, including monetary relief of approximately \$2.1 million, entered 9/3/04.  
Motion to show cause why defendant Trudeau should not be held in contempt filed 9/13/07.  
Order holding Trudeau in contempt for violating permanent injunction entered 11/16/07.  
Hearing on remedy for violating permanent injunction held 7/22-25/08.  
Judgment confirming 11/16/07 order, requiring payment of \$5 million by Trudeau, and providing for other relief entered 8/7/08.  
Commission's motion to amend/correct judgment filed 8/21/08; response by Trudeau filed 9/22/08; Commission's reply filed 10/7/08, corrected 10/21/08.  
Supplemental order and judgment entered 11/4/08.  
Motion by Trudeau to alter or stay judgment pending appeal filed 11/13/08; Commission's response filed 11/26/08; Trudeau's reply filed 12/3/08; order denying motion entered 12/11/08.  
Notice of appeal filed 12/16/08.  
Appellant's emergency motion for stay pending appeal filed 12/23/08;

Commission's response in opposition filed 1/5/09; appellant's reply filed 1/7/09.  
Order denying emergency motion for stay pending appeal entered 1/21/09.  
Appellant's brief filed 2/17/09.  
Motion by Appellant to file supplemental jurisdictional memorandum filed 3/5/09; order granting motion entered 3/12/09; supplemental jurisdictional memorandum filed 3/12/09.  
Commission's answering brief filed 3/19/09.  
Appellant's reply brief filed 4/2/09.  
Oral argument scheduled for 5/14/09.

***FTC v. ULTRALIFE FITNESS, INC.***, No. 2:08-CV-07665 (C.D. Cal.)

Parties: Ultralife Fitness, Inc., d/b/a Pure Health Laboratories, Pure Heart Labs,  
UltraBurn PM  
TruGenix Laboratories, LLC, d/b/a eFitness Clubhouse, eCurves  
Clubhouse  
Neil P. Wardle  
Pace Mannion  
Christopher J. Wardle

Assigned Attorney: Raymond E. McKown (WR-LA)

Alleged Conduct: Deceptive acts and practices in violation of Section 5 and the Electronic Fund Transfer Act in connection with the sale of weight loss supplements and online fitness services.

Status: Complaint filed 11/20/08.  
Stipulated final judgment and order for permanent injunction entered 12/5/08.

***FTC v. UNITED CREDIT ADJUSTERS, INC.***, No. 3:09-CV-00798 (D.N.J.)

Parties: United Credit Adjusters, Inc., d/b/a United Credit Adjusters and UCA  
United Counseling Association, Inc, d/b/a UCA  
Bankruptcy Masters Corp.  
National Bankruptcy Services Corp.  
Federal Debt Solutions LTD.  
United Money Tree, Inc.  
Ahron E. Henoch  
Ezra Rishty  
Gerald Serino, a/k/a Jerry Serino

Assigned Attorneys: Sara C. DePaul (ECR)  
Larissa L. Bungo  
Michael Rose

Alleged Conduct: Deceptive acts and practices in violation of the Credit Repair Organizations Act and Section 5 in connection with the advertising, marketing, and sale of credit repair services.

Status: Complaint filed 2/24/09.  
TRO entered 2/24/09.  
Stipulations and orders for preliminary injunctions with asset freezes as to defendants Ahron E. Henoch, Ezra Rishty, and Gerald Serino entered 3/23/09.

***FTC v. UNITED HOME SAVERS, LLP***, No. 8:08-CV-01735 (M.D. Fla.)

Parties: United Home Savers, LLP  
Stephanie Dietschy  
Darin Dietschy

Assigned Attorneys: Harold Kirtz (SER)  
Bradley Elbein

Alleged Conduct: Deceptive acts and practices in violation of Section 5 related to sale of mortgage foreclosure rescue services.

Status: Complaint filed 9/3/08.  
TRO with asset freeze entered 9/4/08.  
Stipulated preliminary injunction entered 9/12/08; modified 10/7/08.

**FTC v. UNIVERSAL PREMIUM SERVICES, INC.**, No. 08-55838 (9th Cir.); No. 2:06-CV-00849 (C.D. Cal.)

Parties: Universal Premium Services, Inc., a/k/a Premier Benefits, Inc.  
Consumer Reward Network, Inc.  
Star Communications LLC  
Membership Services Direct, Inc., a/k/a Continuity Partners, Inc.  
Connect2USA, Inc.  
Brian K. MacGregor  
Harijinder Sidhu  
Joseph F. LaRosa, Jr.  
Pranot Sangprasit  
William Thomas Heichert  
Michael Howard Cushing  
Paul P. Tosi  
Manh D. Cao  
Merchant Risk Management, Inc.  
Pantel One, Corporation  
All Star Access, Inc.  
Prime Time Ventures, Inc.  
Christine MacGregor  
Midwest Properties, Inc.

Assigned Attorneys: Faye C. Barnouw (WR-LA)  
Jennifer M. Brennan  
Michael D. Bergman (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the purported marketing and sale of discount passes and calling cards.

Status: Complaint filed 2/14/06.  
Ex parte TRO with asset freeze entered 2/21/06.  
Preliminary injunction with asset freeze entered 3/22/06.  
First amended complaint adding defendants Merchant Risk Management, Inc., Pantel One, Corporation, All Star Access, Inc., Prime Time Ventures, Inc., Christine MacGregor and Midwest Properties, Inc. filed 5/8/06.  
Notice of appeal of the preliminary injunction by defendants Brian MacGregor and Membership Services Direct, Inc. filed 5/22/06.  
Default against All Star Access, Inc. and Prime Time Ventures, Inc. entered 6/28/06.  
Order granting appellants' motion to dismiss appeal entered 7/17/06.  
Default entered against Merchant Risk Management, Inc. and Pantel One Corporation entered 8/18/06.  
Amended stipulated final orders for permanent injunction and other

equitable relief against defendants Joseph F. LaRosa, Jr., Pranot Sangprasit, William Heichert, Michael H. Cushing, Manh Dac Cao and Harijinder Sidhu entered 3/8/07.

Motion for summary judgment as to defendants Brian K. MacGregor and Membership Services Direct, Inc. filed 2/9/07.

Stipulated final order for permanent injunction and other equitable relief against defendant Paul Tosi entered 2/12/07.

Stipulated order appointing Special Master to determine equitable monetary relief to be imposed against Brian MacGregor and Membership Services Direct, Inc. entered 3/14/07.

Motion for summary judgment as to defendants Christine MacGregor and Midwest Properties, Inc. filed 3/30/07.

Stipulated final order as to defendants Christine MacGregor and Midwest Properties, Inc. entered 8/31/07.

Motion to hold receivership defendants' assets in constructive trust for the benefit of consumers filed on 10/26/07; granted 11/30/07.

Stipulated final order as to defendants Universal Premium, Inc., Consumer Reward, Inc., Star Communications LLC, All Star Access, Inc., Prime Time Ventures, Inc., Connect2USA, Inc., Merchant Risk Management, Inc., and Pantel One Corp. entered 2/1/08.

Notice of appeal by defendants Brian K. MacGregor and Membership Services, Inc. filed 5/20/08.

Appellants' opening brief filed 1/5/09.

Commission's answering brief filed 2/18/09.

***FTC v. U.S. WORK ALLIANCE, INC., No. 1:08-CV-02053 (N.D. Ga.)***

Parties: U.S. Work Alliance, Inc., d/b/a Exam Services  
Tyler F. Long  
Brenda M. Long

Assigned Attorneys: Harold E. Kirtz (SER)

Alleged conduct: Unfair and deceptive practices in violation of Section 5 involving newspaper advertisements and website postings for Post Office jobs and employment.

Status: Complaint filed 6/19/08.  
Hearing on TRO held 6/27/08.  
TRO entered 7/8/08.  
Preliminary injunction entered 1/14/09.

***FTC v. USA FINANCIAL, LLC***, No. 8:08-CV-00899 (M.D. Fla.)

Parties: USA Financial, LLC  
American Financial Card, Inc., f/k/a Capital Financial, Inc.  
Jeffrey R. Deering  
Richard R. Guarino  
John F. Buschel, Jr.

Assigned Attorneys: Gideon E. Sinasohn (SER)  
Chris M. Couillou

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the  
Telemarketing Sales Rule involving telemarketing of advance-fee credit  
cards and falsely failing to deliver the promised card and benefits.

Status: Complaint filed 5/12/08.  
Order granting TRO and appointing a receiver entered 5/12/08.  
Stipulated order extending TRO entered 5/20/08.  
Stipulated preliminary injunction entered 7/29/08.

***FTC v. WARSHAK***, No. 1:06-CV-00051 (S.D. Ohio)

Parties: Steve Warshak  
Berkeley Premium Nutraceuticals, Inc.  
Lifekey, Inc.  
Warner Health Care, Inc.  
Wagner Nutraceuticals, Inc.  
Carri Warshak (relief defendant)  
Harriet Warshak (relief defendant)  
Paul Kellogg (relief defendant)

Assigned Attorneys: Tawana Davis (BCP/AP)  
Edward Glennon  
Mark S. Morelli (BCP/ENF)  
Malini Mithal

Alleged Conduct: Unfair and deceptive practices in violation of Sections 5 and 12 of the FTC  
Act, the Electronic Fund Transfer Act, and the Unordered Merchandise  
Statute in connection with the sale of health-related dietary supplements.

Status: Complaint filed 1/30/06.  
Order staying case, pending outcome of the criminal trial, entered  
12/27/06.  
Order lifting stay entered 3/5/08.



***FTC v. WATSON PHARMACEUTICALS, INC.***, No. 09-CV-00598 (C.D. Cal.)

Parties: Watson Pharmaceuticals, Inc.  
Par Pharmaceuticals Companies, Inc.  
Paddock Laboratories, Inc.  
Solvay Pharmaceuticals, Inc.

Assigned Attorneys: Markus Meier (BC)  
Bradley S. Albert  
J. Robert Robertson  
John D. Jacobs (WR-LA)

Alleged Conduct: Action for a permanent injunction and other equitable relief for violations of the Sections 1 and 2 of the Sherman Act and Section 5 of the FTC Act in connection with agreement between brand name drug manufacturer and generic manufacturers delaying entry of generic drug.

Status: Complaint filed 1/27/09.  
Amended complaint filed 2/12/09.  
Defendants' motion to transfer case to Northern District of Georgia filed 2/27/09; Commission's opposition filed 3/16/09; defendants' reply filed 3/23/09.

**FTC v. WEBSOURCE MEDIA, L.L.C.**, No. 08-20285 (5th Cir.), No. 4:06-CV-01980 (S.D. Tex.)

Parties: WebSource Media, L.L.C.  
BizSitePro, L.L.C.  
Eversites, L.L.C.  
Telsource Solutions, Inc.  
Telsource International, Inc.  
Marc R. Smith  
Kathleen A. Smalley  
Keith Hendrick  
Steven L. Kennedy  
John O. Ring  
James E. McCubbin, Jr.  
WebSource Media, L.P.

Assigned Attorneys: James Elliott (SWR)  
Susan E. Arthur  
Eliseo N. Padilla  
Imad D. Abyad (OGC)

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 in connection with the sale of internet website design and hosting services.

Status: Complaint filed 6/12/06.  
Ex parte TRO with asset freeze entered 6/12/06.  
Amended complaint adding defendant WebSource Media, L.P. filed 6/21/06.  
Stipulated preliminary injunction entered 6/21/06.  
Modified preliminary injunction entered 1/10/07.  
Second modified preliminary injunction entered 2/15/07.  
Defendant Stephen L. Kennedy's motion for summary judgment filed 4/30/07; Commission's response filed 5/21/07; denied 7/2/07.  
Stipulated final order, including approximately \$1.2 million in consumer redress, against defendants WebSource Media, L.L.C., WebSource Media, L.P., BizSitePro, L.L.C., Eversites, L.L.C, Telsource Solutions, Inc., Telesource International, Inc., Marc R. Smith, Kathleen A. Smalley, Keith D. Hendrick, John O. Ring, and James E. McCubbin, Jr. entered 7/17/07.  
Stipulated final judgment and order for permanent injunction against defendant Kathleen A. Smalley entered 7/17/07.  
Trial held 12/3-12/14/07.  
Final judgment and order for permanent injunction against defendant Steven L. Kennedy for \$4,108,131.32 entered 3/17/08.  
Defendant Steven L. Kennedy's motion for new trial filed 3/31/08, denied 4/4/08.

Notice of appeal filed 4/29/08.  
Appellant's opening brief filed 10/7/08.  
Commission's brief filed 12/8/08.  
Appellant's reply brief filed 12/22/08.  
Oral argument set for 4/30/09.

***FTC v. XACTA 3000, INC.***, No. 3:09-CV-00399 (D.N.J.)

Parties: Xacta 3000, Inc.  
Baruch Levin  
Yehuda Levin, a/k/a Juda Levin

Assigned Attorneys: Victor F. DeFrancis (BCP/AP)  
Sydney M. Knight

Alleged Conduct: Deceptive acts and practices in violation of Section 5 in connection with foot pads purporting to remove toxic materials from the body and treat medical conditions.

Status: Complaint filed 1/27/09.

***FTC v. YOUR MAGAZINE PROVIDER, INC.***, No. 9:08-CV-00064 (D. Mont.)

Parties: Your Magazine Provider, Inc.  
D.B.A. Periodicals  
U.S. Magazine Services  
Jason W. Ellsworth

Assigned Attorneys: Mary T. Benfield (NWR)  
Kathryn C. Decker

Alleged Conduct: Unfair and deceptive practices and acts in violation of Section 5 and the Telemarketing Act involving magazine subscriptions and undisclosed monthly charges.

Status: Complaint filed 5/12/08.  
TRO entered 5/14/08.  
Order extending TRO entered 5/29/08.  
Stipulated preliminary injunction entered 6/5/08.  
Defendants' motion to dissolve stipulated preliminary injunction filed 12/12/08; Commission's opposition filed 12/23/08; defendants' reply filed 1/5/09.  
Order dissolving stipulated preliminary injunction entered 2/4/09.

***FTC v. YOUR MONEY ACCESS, LLC***, No. 2:07-CV-05147 (E.D. Pa.)

Parties: Your Money Access, LLC  
YMA Co., LLC  
Derrelle Janey  
Tarzenea Dixon

Assigned Attorneys: Michelle Ann Chua (BCP/MP)  
David C. Fix  
Philip Tumminio

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with the practice of unauthorized debiting of consumers' bank accounts.

Status: Complaint filed 12/6/07.  
Default as to defendant Your Money Access, LLC entered 1/16/08.  
Default as to defendant YMA Co., LLC entered 3/3/08.  
Commission's motion for default judgment as to corporate defendants Your Money Access, LLC and YMA Co., LLC filed 5/20/08; corporate defendants' response filed 6/3/08; Commission's reply filed 6/12/08.  
Default judgment and permanent injunction entered 10/28/08.  
Stipulated permanent injunction and final order against defendant Tarzenea Dixon filed 12/22/08.  
Motions by Commission and plaintiff states for summary judgment as to defendant Derrelle Janey filed 3/9/09.  
Motion by defendant Derrelle Janey for partial summary judgment filed 3/9/09.

**CIVIL PENALTY AND ENFORCEMENT CASES\***

**(A) Consumer Protection**

*UNITED STATES v. ACADEMY COLLECTION SERVICE, INC.*, No. 2:08-CV-01576 (D. Nev.)

Parties: Academy Collection Service, Inc.  
Keith Dickstein  
Albert S. Bastian  
Edward L. Hurt III

Assigned Attorneys: Deborah A. Marrone (NER)  
Ann F. Weintraub  
Nur-Ul-Huq  
John W. Burke (DOJ/CIV)  
Patrick A. Rose (AUSA)

Alleged Conduct: Violations of Section 5 and the Fair Debt Collection Practices Act involving threats of garnishment and legal action, communications with third parties, and unauthorized withdrawals and early deposits related to consumer debts.

Status: Complaint filed 11/14/08.  
Consent decree against defendants Academy Collection Service, Inc. and Keith Dickstein entered 11/19/08.

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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. ALL IN ONE VACATION CLUB, L.L.C.**, No. 6:09-CV-00103 (M.D. Fla.)

Parties: All In One Vacation Club, L.L.C., d/b/a All in One Vacations, f/d/b/a  
Vacation Stations, Inc.  
Accumen Management Services, Inc.  
Larry Coltelli  
Steven Schlossberg

Assigned Attorneys: Thomas Dahdouh (WR-SF)  
Alan J. Phelps (DOJ/CIV)  
Ralph E. Hopkins (AUSA)

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with abandoned calls and telephone calls to persons on the National Do No Call Registry.

Status: Complaint filed 1/14/09.  
Stipulated judgment and order for permanent injunction and civil penalties entered 1/26/09.

**UNITED STATES v. CENTRAL FLORIDA INVESTMENTS, INC.**, No. 6:09-CV-00104 (M.D. Fla.)

Parties: Central Florida Investments, Inc.  
Westgate Resorts LTD  
CFI Sales & Marketing, LLC

Assigned Attorneys: Kerry O'Brien (WR-SF)  
Lisa Rosenthal  
Sarah Schroeder  
Daniel K. Crane-Hirsch (DOJ/CIV)  
Ralph E. Hopkins (AUSA)

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with the sale of timeshare vacation packages and telephone calls to persons on the National Do Not Call Registry.

Status: Complaint filed 1/14/09.  
Stipulated judgment and order for permanent injunction and civil penalties entered 1/20/09.

***UNITED STATES v. CIVIC DEVELOPMENT GROUP, LLC***, No. 2:07-CV-04593 (D.N.J.)

Parties: Civic Development Group, LLC  
Scott Pasch  
David Keezer

Assigned Attorneys: Matthew Wilshire (BCP/ENF)  
Mark L. Josephs (DOJ/CIV)

Alleged Conduct: Violations of a Commission administrative order and the Telemarketing Sales Rule in connection with a telemarketing scheme that made misrepresentations to consumers when fund-raising for police, firefighter, and other non-profit organizations.

Status: Complaint filed 9/24/07.

***UNITED STATES v. CONTACT LENS HEAVEN, INC.***, No. 0:08-CV-61713 (S.D. Fla.)

Parties: Contact Lens Heaven, Inc.  
Ioanna Xenou-Karoumpa

Assigned Attorneys: Karen Jagielski (BCP/AP)  
Mary M. Englehart (DOJ/CIV)  
Karin D. Wherry (AUSA)

Alleged Conduct: Violations of Section 5, the Fairness to Contact Lens Consumers Act, and the Contact Lens Rule involving failures to obtain and verify prescriptions and maintain records in connection with contact lens sales.

Status: Complaint filed 10/22/08.  
Consent decree and order for civil penalties and permanent injunction entered 12/3/08.

***UNITED STATES v. DISH NETWORK L.L.C.***, No. 3:09-CV-03073 (C.D. Ill.)

Parties: Dish Network L.L.C.

Assigned Attorneys: Russell Deitch (BCP/MP)  
Gary Ivens  
Daniel K. Crane-Hirsch (DOJ/CIV)  
James A. Lewis (AUSA)

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with abandoned calls and telephone calls to consumers on the National Do Not Call registry.

Status: Complaint filed 3/25/09.

***UNITED STATES v. ENVIROMATE, LLC***, No. 5:09-CV-00386 (N.D. Ala.)

Parties; Enviromate, LLC  
Philip A. Geddes

Assigned Attorneys: Korin K. Ewing (BCP/ENF)  
James E. Phillips (AUSA)

Alleged Conduct: Violations of Section 5 and the R-Value Rule in connection with the sale of home insulation products.

Status: Complaint filed 2/26/09.  
Stipulated judgment and order for injunction and other relief entered  
3/2/09.



**UNITED STATES v. GLOBAL MORTGAGE FUNDING, INC.**, No. 8:07-CV-01275 (C.D. Cal.)

Parties: Global Mortgage Funding, Inc., f/d/b/a Global Realty, Inforte  
Financial, and U.S. Escrow  
Damian Robert Kutzner

Assigned Attorneys: Thomas Dahdouh (WR)  
Daniel K. Crane-Hirsch (DOJ/CIV)

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection  
with telemarketing calls to consumers to provide mortgage and related  
financial services.

Status: Complaint filed 10/30/07.

**UNITED STATES v. MEYER ENTERPRISES, LLC**, No. 1:09-CV-01074 (C.D. Ill.)

Parties: Meyer Enterprises, LLC  
Insulation Solutions, Inc.  
Donald L. Meyer

Assigned Attorneys: Melinda A. Claybaugh (BCP/ENF)  
Malini Mithal  
Daniel K. Crane-Hirsch (DOJ/CIV)  
Gerald A. Brost (AUSA)

Alleged Conduct: Violations of Section 5 and the R-Value Rule in connection with the sale of  
home insulation products.

Status: Complaint filed 2/26/09.  
Stipulated judgment and order for civil penalties, injunction, and other  
relief entered 3/2/09.

***FTC v. NAVONE***, No. 2:08-CV-01842 (D. Nev.)

Parties: Gregory Navone

Assigned Attorneys: Laura B. Stack (BCP/PIP)  
Kandi B. Parsons  
David M. Newman (WR-SF)

Alleged Conduct: Deceptive acts and practices in violation of Section 5, the Fair Credit Reporting Act, and the Disposal Rule in connection with the maintenance and disposal of sensitive consumer information.

Status: Complaint filed 12/30/08.

***UNITED STATES v. NEW EDGE SATELLITE, INC.***, No. 2:09-CV-11100 (E.D. Mich.)

Parties: New Edge Satellite, Inc.  
Derek LaVictor

Assigned Attorneys: Russell Deitch (BCP/MP)  
Gary Ivens  
Daniel K. Crane-Hirsch (DOJ/CIV)  
Carolyn B. Harbin (AUSA)

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with telephone calls to consumers on the National Do Not Call registry.

Status: Complaint filed 3/25/09.

**UNITED STATES v. QVC, INC.**, No. 2:04-CV-01276 (E.D. Pa.)

Parties: QVC, Inc.

Assigned Attorneys: Mark Morelli (BCP/ENF)  
Mark Josephs (DOJ/CIV)  
David R. Hoffman (AUSA)

Alleged Conduct: 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 filed 3/24/04.  
Third-party complaint by QVC against Vitaquest International, 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; defendant's response in opposition filed 7/12/04; United States' response filed 7/12/04; third-party defendants' reply filed 7/30/04.  
United States' motion to strike third-party complaint filed 7/12/04; defendant's response in opposition filed 7/29/04; United States' reply filed 8/13/04.  
Hearing on the motion to dismiss held 11/15/04.  
Order denying third-party defendants' motion to dismiss and United States' motion to strike entered 2/9/05.  
Motion for partial summary judgment resolving liability filed 3/10/06.  
Order granting partial summary judgment entered 9/29/06.  
Consent decree entered 3/4/09.

**UNITED STATES v. RENTAL RESEARCH SERVICES, INC.**, No. 0:09-CV-00524  
(D. Minn.)

Parties: Rental Research Services, Inc.  
Lee Mickelson

Assigned Attorneys: Sandra F. McCarthy (BCP/PIP)  
Molly K. Crawford  
Daniel K. Crane-Hirsch (DOJ/CIV)  
Ana H. Voss (AUSA)

Alleged Conduct: Violations of Section 5 and the Fair Credit Reporting Act in connection with the sale of consumer reports to identity thieves.

Status: Complaint filed 3/5/09.  
Stipulated final judgment and order for civil penalties, permanent injunction, and other equitable relief entered 3/6/09.

**UNITED STATES v. SONY BMG MUSIC ENTERTAINMENT**, No. 1:08-CV-10730  
(S.D.N.Y.)

Parties: Sony BMG Music Entertainment

Assigned Attorneys: Mamie Kresses (BCP/AP)  
Phyllis Hurwitz Marcus  
Alan J. Phelps (DOJ/CIV)  
Tomoko Onozawa (AUSA)

Alleged Conduct: Violations of the Children's Online Privacy Protection Rule and Section 5 in connection with the collection, use, and disclosure of personal information from children under age 13.

Status: Complaint and proposed consent decree filed 12/10/08.  
Consent decree and order for civil penalties and permanent injunction entered 12/15/08.

***UNITED STATES v. SUMPOLEC***, No. 6:09-CV-00378 (M.D. Fla.)

Parties: Edward Sumpolec, d/b/a Thermalkool, Thermacool, Energy Conservation Specialists

Assigned Attorneys: Michael J. Davis (BCP/ENF)  
Philip M. Toomajian (DOJ/CIV)  
Scott H. Park (AUSA)

Alleged Conduct: Violations of Section 5 and the R-Value Rule in connection with the sale of home insulation products.

Status: Complaint filed 2/26/09.

***UNITED STATES v. VISION QUEST, LLC***, No. 2:09-CV-11102 (E.D. Mich.)

Parties: Vision Quest, LLC  
Brian K. Cavett

Assigned Attorneys: Russell Deitch (BCP/MP)  
Gary Ivens  
Daniel K. Crane-Hirsch (DOJ/CIV)  
Carolyn B. Harbin (AUSA)

Alleged Conduct: Violations of Section 5 and the Telemarketing Sales Rule in connection with telephone calls to consumers on the National Do Not Call registry.

Status: Complaint filed 3/25/09.

**(B) Competition**

***FTC v. BRISTOL-MYERS SQUIBB COMPANY***, No. 1:09-CV-00576 (D.D.C.)

Parties: Bristol-Myers Squibb Company

Assigned Attorneys: Anne Schenof (BC)  
Daniel P. Ducore

Alleged Conduct: Violations of a Commission order and the Medicare Modernization Act in connection with the concealment of a material fact and false statements related to the submission of a settlement agreement.

Status: Complaint filed 3/26/09.  
Final judgment entered 3/30/09.

***UNITED STATES v. ESL PARTNERS, L.P.***, No. 1:08-CV- 02175 (D.D.C.)

Parties: ESL Partners, L.P.  
ZAM Holdings, L.P.

Assigned Attorneys: Kenneth A. Libby (BC)  
Elizabeth Piotrowski

Alleged Conduct: Violations of the pre-merger reporting requirements of the Hart Scott Rodino Act in connection with acquisitions of voting securities.

Status: Complaint filed 12/15/08.  
Stipulated final judgment entered 12/16/08.

**SUBPOENA AND CID ENFORCEMENT PROCEEDINGS**

***FTC v. DINAMICA FINANCIERA LLC***, No. 2:08-CV-04649 (C.D. Cal.)

Parties: Dinamica Financiera LLC

Assigned Attorneys: Stacy R. Procter (WR-LA)  
John A. Singer (OGC)

Alleged Conduct: Petition for an order enforcing a civil investigative demand.

Status: Petition filed 7/16/08.  
Order enforcing civil investigative demand entered 7/31/08.  
Commission's application for a show cause order why respondent should not be held in contempt filed 8/20/08.  
Order to show cause why respondent should not be held in civil contempt entered 8/21/08.  
Civil contempt order entered 9/22/08.  
Commission's supplemental application for a show cause order why respondent should not be held in contempt filed 11/25/08.  
Order to show cause why respondent should not be held in civil contempt entered 12/1/08.  
Judgment holding respondent in civil contempt and requiring payment of \$55,000 entered 12/26/08; amended 12/31/08 and 1/5/09.

***FTC v. POLYPORE INTERNATIONAL, INC.***, No. 1:09-MC-00050 (D.D.C.)

Party: Polypore International, Inc.

Assigned Attorney: Imad D. Abyad (OGC)

Nature of Action: Emergency petition to enforce subpoena and authorize taking of a deposition in a foreign country.

Status: Petition filed 2/3/09.  
Order authorizing deposition entered 2/4/09.

*FTC v. TARRIFF*, No. 08-5205 (D.C. Cir.); No. 1:08-MC-00217 (D.D.C.)

Parties:                    Scott Tarriff  
                                 Edward Maloney  
                                 Paul Campanelli

Assigned Attorneys: Lawrence DeMille-Wagman (OGC)

Alleged Conduct:        Petition for an order enforcing three subpoenas issued in furtherance  
                                 of a law enforcement investigation.

Status:                    Petition filed 4/16/08.  
                                 Order to show cause why petition should not be granted entered 4/17/08.  
                                 Response to petition filed 5/7/08; Commission's reply filed 5/14/08.  
                                 Order granting petition for an order enforcing subpoenas entered 6/2/08.  
                                 Notice of appeal filed 6/30/08.  
                                 Order holding briefing in abeyance pending further order of the court  
                                 entered 12/16/08; order reinstating briefing schedule entered 3/3/09.  
                                 Appellants' brief due 5/29/09; Commission's answering brief due 7/1/09.



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

***CARTER, FULLERTON & HAYES, LLC v. FTC***, No. 1:07-CV-01041 (D.D.C.)

Parties: Carter, Fullerton & Hayes, LLC

Assigned Attorneys: Michele Arington (OGC)  
Beverly Russell (DOJ/CIV)

Nature of Action: Freedom of Information Act claim resulting from Commission's withholding of certain requested documents and denial of a fee waiver.

Status: Complaint filed 6/12/07.  
Commission's motion for summary judgment filed 8/16/07; plaintiff's opposition filed 8/27/07; Commission's reply filed 9/14/07.  
Order granting in part and denying in part Commission's motion for summary judgment entered 10/25/07.  
Commission's renewed motion for summary judgment filed 12/05/07; plaintiff's opposition filed 12/18/07.  
Commission notices to the court regarding recently discovered documents filed 6/5/08, 6/20/08, 7/17/08, and 8/25/08.  
Order denying without prejudice Commission's renewed motion for summary judgment, directing Commission to file comprehensive motion for summary judgment, entered 9/19/08.  
Commission's second motion for summary judgment filed 10/9/08; plaintiff's response in opposition filed 10/31/08; Commission's reply filed 12/17/08.

***CARTER, FULLERTON & HAYES, LLC v. FTC***, No. 1:08-CV-00182 (E.D. Va.)

Parties: Carter, Fullerton & Hayes, LLC

Assigned Attorneys: Michele Arington (OGC)  
Lauren Wexler (AUSA)

Nature of Action: Freedom of Information Act claim resulting from Commission's withholding of certain requested documents.

Status: Complaint filed 2/27/08.  
Commission motion for summary judgment filed 4/30/08; plaintiff's response filed 5/28/08.  
Commission's motion for leave to withdraw motion for summary judgment filed 6/5/08.  
Hearing held 6/13/08.  
Order granting motion to withdraw and resetting briefing schedule entered 6/17/08.  
Commission's motion for summary judgment filed 7/24/08; plaintiff's opposition filed 8/6/08; Commission's reply filed 8/13/08.  
Hearing held 8/15/08.  
Order granting summary judgment entered 2/18/09.

***CARTER, FULLERTON & HAYES, LLC v. FTC***, No. 1:09-CV-00259 (E.D. Va.)

Parties: Carter, Fullerton & Hayes, LLC

Assigned Attorneys: Michele Arington (OGC)  
Lauren Wexler (AUSA)

Nature of Action: Freedom of Information Act claim resulting from Commission's withholding of certain requested documents.

Status: Complaint filed 3/10/09.

***HARRISON v. FTC***, No. 2:08-CV-00445 (E.D. Tex.)

Parties: LeAnna R. Harrison  
Lee Harrison Credit Restoration

Assigned Attorney: John F. Daly (OGC)

Nature of Action: Action to unfreeze assets and dismiss *FTC v. Strobel*, No. 2:08-CV-00326 (E.D. Tex.).

Status: Complaint filed 11/10/08.

***IMEGA v. MUKASEY***, No. 08-1981 (3d Cir.); No. 3:07-CV-02625 (D.N.J.)

Parties: Interactive Media Entertainment and Gaming Association (iMega), Inc.

Assigned Attorney: Imad D. Abyad (OGC)

Nature of Action: Action for equitable relief claiming that the regulation of an online gambling site violated plaintiffs' constitutional rights of expression and privacy.

Status: Complaint against Commission, Attorney General of the United States, and Federal Reserve filed 6/5/07.  
Plaintiff's first motion for preliminary injunction filed 7/10/07.  
Defendants' opposition to TRO and motion to dismiss filed 8/21/07.  
Plaintiff's opposition to motion to dismiss filed 9/10/07.  
Defendants' reply in support of motion to dismiss filed 9/21/07.  
Defendants' motion to dismiss granted 3/4/08.  
Notice of appeal filed 4/1/08.  
Appellant's brief filed 9/29/08; government's brief filed 10/29/08.

***NORTH AMERICAN BROADCASTING, LLC v. UNITED STATES***, No. 07-56299 (9th Cir.);  
No. 2:06-CV-02515 (C.D. Cal.)

Parties: North American Broadcasting, LLC

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Action under 42 U.S.C §§ 1983 and 1988 to secure monetary relief for alleged violations of plaintiff's due process and other constitutional rights.

Status: Complaint filed 9/28/00.  
Stipulated agreement to stay proceedings for six months filed 1/9/01; entered 1/11/01.  
Order continuing stay entered 6/18/01.  
Case dismissed, as to defendant Byron Moldo, 8/21/03.  
Plaintiff's first amended complaint naming United States and Commission employees Darren Bowie and Julie Abbate as defendants, but omitting the Federal Trade Commission, filed 1/17/06.  
Defendants' motion to dismiss filed 3/10/06; Commission's opposition filed 3/21/06; defendants' reply filed 3/27/06.  
Order dismissing case without prejudice as to all defendants entered 4/3/06.  
New complaint naming only United States as defendant (No. CV-06-2515 AHM (RCx)) filed 4/25/06.  
United States' motion to dismiss filed 7/25/06; N.A.B.'s opposition filed 8/14/06; reply filed 8/22/06; order denying motion to dismiss entered 8/23/06.  
United States' answer filed 8/28/06.  
United States' motion for summary judgment filed 6/25/07; granted 7/31/07.  
Plaintiff's notice of appeal filed 8/27/07.  
Appellant's brief filed 2/25/08; brief of United States filed 5/16/08; appellant's reply brief filed 6/25/08.  
Opinion affirming district court's decision entered 12/31/08.

***O'NEIL v. STATE BAR OF MONTANA***, No. 9:08-CV-00091 (D. Mont.)

Parties: Jerry O'Neil

Assigned Attorney: John A. Singer (OGC)

Nature of Action: Action for declaratory judgment involving the practice of law and alleged failures of the Commission and the Department of Justice related thereto.

Status: Complaint filed 6/30/08.  
Motion to dismiss the Commission and the Department of Justice for lack of jurisdiction filed 10/4/08; plaintiff's response and motion to file amended complaint to exclude the Commission and the Department of Justice filed 12/8/08.  
Magistrate's report recommending dismissal of the Commission and the Department of Justice entered 12/8/08.  
Amended complaint no longer listing the Commission and the Department of Justice filed 1/12/09.

***STROBEL v. FTC***, No. 2:08-CV-00437 (E.D. Tex.)

Parties: Rudolph J. Strobel

Assigned Attorney: John F. Daly (OGC)

Nature of Action: Action to unfreeze assets and dismiss *FTC v. Strobel*, No. 2:08-CV-00326 (E.D. Tex.).

Status: Complaint filed 11/10/08.

***WHOLE FOODS, INC. v. FEDERAL TRADE COMMISSION***, No. 1:08-CV-02121 (D.D.C.)

Parties: Whole Foods, Inc.

Assigned Attorneys: Lawrence DeMille-Wagman (OGC)  
Mark Hegedus  
W. Mark Nebeker (AUSA)

Nature of Action: Action to permanently enjoin the Commission from acting in an administrative proceeding based on alleged violations of plaintiff's constitutional due process and equal protection rights.

Status: Complaint filed 12/8/08.  
Amended complaint filed 12/17/08.  
Plaintiff's motions for preliminary injunction and to expedite discovery filed 12/19/08.  
Commission's motions to dismiss amended complaint or to transfer case filed 12/23/08; plaintiff's memorandum in opposition filed 1/8/09.  
Plaintiff's notice of voluntary dismissal filed 1/15/09.

***IN RE WHOLE FOODS MARKETS, INC.***, No. 09-1020 (D.C. Cir.)

Parties: Whole Foods Market, Inc.

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Petition for a writ of mandamus related to a Commission administrative proceeding.

Status: Petition of Whole Foods Market, Inc. for writ of mandamus lodged 1/15/09.  
Emergency motions for expedited consideration of petition and for expedited discovery by Whole Foods Market, Inc. filed 1/21/09.  
Per curiam order denying petition for writ of mandamus and dismissing motions as moot entered 1/23/09.  
Motion of Whole Foods Market, Inc. to clarify per curiam order filed 1/26/09; per curiam order denying motion entered 1/28/09.

**AMICUS CURIAE BRIEFS or PARTIAL INTERVENTIONS**

***ALTRIA v. GOOD***, No. 07-562 (S. Ct.)

Assigned Attorney: Lawrence DeMille-Wagman

Nature of Action: State-law challenges to FTC-authorized statements regarding tar and nicotine yields in cigarette advertising and whether they are expressly or impliedly preempted by state law.

Status: Petition for certiorari granted 1/18/08.  
Brief of former Commissioners and senior staff of the FTC as amici curiae filed 4/7/08.  
Brief of former Commissioners of the FTC as amici curiae filed 6/18/08.  
Brief of the United States and the Commission as amicus curiae filed 6/18/08.  
Oral argument held 10/6/08.  
Opinion affirming First Circuit decision entered 12/15/08.

***IN RE CIPROFLOXACIN HYDROCHLORIDE ANTITRUST LITIGATION***, No. 08-1194 (S. Ct.); No. 08-1097 (Fed. Cir.)

Assigned Attorney: Imad D. Abyad (OGC)

Nature of Action: Private action concerning agreements between defendants Bayer AG and its U.S. subsidiary Bayer Corporation in violation of antitrust laws.

Status: Brief of Commission as amicus curiae in support of appellants filed 1/25/08.  
Oral argument held 6/4/08.  
Opinion affirming district court decision entered 10/15/08.  
Petition for certiorari filed 3/23/09.

***IN RE DDAVP DIRECT PURCHASER ANTITRUST LITIGATION***, No. 06-5525 (2d Cir.)

Assigned Attorney: Imad D. Abyad (OGC)

Nature of Action: Private action concerning whether direct purchasers of a brand-name pharmaceutical product lacked antitrust standing to bring monopolization claims against defendant drug manufacturers arising out of the manufacturers' enforcement of a fraudulently obtained patent.

Status: Brief of United States and Commission as amicus curiae in support of plaintiffs-appellants filed 5/25/07.  
Oral argument held 9/15/08.

***IN THE MATTER OF THE PETITION FOR REVIEW OF COMMITTEE ON ATTORNEY ADVERTISING OPINION 39***, No. 60,003 (N.J. Sup. Ct.)

Assigned Attorneys: Gustav Chiarello (OPP)  
Maureen Olhausen  
John F. Daly (OGC)

Nature of Action: Private action to vacate Opinion 39 of the Committee on Attorney Advertising appointed by the Supreme Court of New Jersey.

Status: Brief of the Commission as amicus curiae, in support of petition, filed 5/9/07.  
Report of special master filed 6/30/08.  
Order vacating Opinion 39 and referring the matter for expedited review and modification entered 12/17/08.