

**QUARTERLY FEDERAL COURT
LITIGATION STATUS REPORT**

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

September 30, 2004

No. 81

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SUMMARY OF CASES

	D. Ct.	Ct. App.*	S. Ct.	Total
PETITIONS FOR REVIEW		3		3
INJUNCTION AND CONSUMER REDRESS CASES	90	11		101
CIVIL PENALTY AND ENFORCEMENT CASES	12	1		13
SUBPOENA AND CID ENFORCEMENTS				0
SUITS TO ENJOIN FTC ACTION AND OTHER DEFENSIVE LITIGATION	2	3	1	6
AMICUS CURIAE BRIEFS	1	12	3	16
TOTALS	105	30	4	139

* 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

POLYGRAM HOLDING, INC., v. FTC, No. 03-1293 (D.C. Cir.)

Parties: PolyGram Holding, Inc.
Decca Music Group Limited
UMG Recordings, Inc.
Universal Music & Video Distribution Corp.

Assigned Attorneys: John F. Daly (OGC)
Michele Arington

Nature of Action: Petition for review of Commission Order to cease and desist participation in an agreement with competitors to fix prices or restrict advertising of audio or video products.

Status: Petition filed 9/22/03.
PolyGram's proof brief filed 2/2/04; Commission's proof brief filed 3/8/04; PolyGram's proof reply brief filed 3/25/04; final briefs filed 4/8/04.
Oral argument held 9/16/04.

SCHERING-PLOUGH CORPORATION v. FTC, No. 04-10688-AA (11th Cir.)

Parties: Schering-Plough Corporation
Upsher Smith Laboratories, Inc.

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

Nature of Action: Petitions for review of Commission Order challenging settlement of patent litigation as anticompetitive.

Status: Petitions filed 2/13/04.
Petitioners' briefs filed 6/2/04; Commission's brief filed 7/28/04; reply briefs filed 8/13/04.
Brief of amicus curiae Generic Pharmaceutical Association in support of petitioners filed 6/18/04.
Oral argument scheduled for 1/13/05.

SOUTH CAROLINA STATE BOARD OF DENTISTRY v. FTC, No. 04-2006 (4th Cir.)

Party: South Carolina State Board of Dentistry

Assigned Attorney: Michael D. Bergman (OGC)

Nature of Action: Petition for review of a Commission order denying motion to dismiss on state action grounds, holding in abeyance motion to dismiss on mootness grounds, retaining jurisdiction, and referring mootness issues to an administrative law judge.

Status: Petition for review filed 8/10/04.
Amended petition for review filed 9/22/04.
Commission's motion to dismiss filed 9/24/04.

B) Rulemakings
(None pending)

INJUNCTION AND CONSUMER REDRESS CASES

(A) Preliminary Injunctions (Mergers/Acquisitions)

FTC v. ARCH COAL, INC., No. 04-5291 (D.C. Cir.); No. 1:04CV534 (JDB) (D.D.C.)

Parties: Arch Coal, Inc.
New Vulcan Coal Holdings, LLC
Triton Coal Company, LLC

Assigned Attorneys: Rhett Krulla (BC)
Michael H. Knight
Morris A. Bloom
Melvin H. Orlans
Michele Arington (OGC)
John A. Singer

Nature of Action: Action for a preliminary injunction challenging a proposed acquisition and thereby maintaining the status quo during the pendency of an administrative proceeding.

Status: Complaint for preliminary injunction pursuant to FTC Act §13(b) filed 4/1/04.
Commission's motion for a preliminary injunction filed 4/8/04.
Defendants' opposition filed 5/24/04.
Preliminary injunction hearing held 6/21-6/25/04 and 6/28-7/1/04.
Oral argument held 7/20/04.
Memorandum opinion denying preliminary injunction issued 8/13/04.
Order of the district court denying commission's motion for an injunction pending appeal entered 8/16/04.
Notice of appeal filed 8/16/04.
Commission's emergency motion for an injunction pending appeal and to expedite appeal filed 8/17/04; appellees' opposition filed 8/18/04; Commission's reply filed 8/19/04.
Order by the D.C. Circuit denying an injunction pending appeal entered 8/20/04.
Commission's motion for voluntary dismissal of appeal filed 9/9/04.
Order granting motion for voluntary dismissal entered 9/15/04.

(B) Preliminary Injunctions (Other)

(None pending)

(C) Permanent Injunctions/Consumer Redress*

FTC v. 1025798 ONTARIO, INC., No. 03-CV-0910 (W.D.N.Y.)

Parties: 1025798 Ontario, Inc., d/b/a The Fulfillment Solutions Advantage, Inc.,
The FSA Group, International Access, Beauty Visions Worldwide,
Slimshop, Hydro-Gel Slim Patch, and Slenderstrip
Robert Van Velzen
Nancy Sprague

Assigned Attorneys: Dean C. Forbes (BCP/AP)
David Koehler
Karen Muoio

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of
purported weight-loss products.

Status: Complaint for permanent injunction and other equitable relief filed
12/3/03.
Ex parte TRO with asset freeze entered 12/3/03; extension until the
preliminary injunction hearing entered 12/12/03.
Commission's first amended complaint, adding defendants Kingstown
Associates, Ltd., BVW Associates, Inc., Gary Richard Bush, David
James Varley, and Laurence Anthony White, and dropping
defendant Nancy Sprague without prejudice, filed 5/24/04.

Stipulated Final Order for Permanent Injunction and Settlement
of Claims for Monetary Relief Against defendants 1025798
Ontario, Inc. and Robert Van Velzen, entered 9/21/04.

* 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. 1492828 ONTARIO INC., No. 02C 7456 (N.D. Ill.)

Parties: 1492828 Ontario Inc., d/b/a First Capital Consumers Group, US Guardian United Consumers, Trans America United Benefits Group, Transglobal National Consumers Group, and First Guardian National Benefits
1533649 Ontario Inc., d/b/a Inter Office Marketing Services, Capital Communications, US Guardian United Consumers, Trans America United Benefits Group, Transglobal National Consumers Group, and First Guardian National Benefits
David Dalglish
Leslie Anderson
Lloyd Prudenza
Mark Lennox
Paul Schroeder, d/b/a Paul Schroeder & Associates, PS&A, and Your Benefitz

Assigned Attorneys: Karen D. Dodge (MWR)
John C. Hallerud

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of false pre-approved credit cards.

Status: Complaint filed 10/17/02.
TRO with asset freeze entered 10/17/02.
Order for preliminary injunction entered 10/28/02.
Amended complaint for permanent injunction and other equitable relief adding defendants 1533649 Ontario Inc., d/b/a Inter Office Marketing Services, Capital Communications, US Guardian United Consumers, Trans America United Benefits Group, Transglobal National Consumers Group, and First Guardian National Benefits; and Paul Schroeder, d/b/a Paul Schroeder & Associates, PS&A, and Your Benefitz filed 12/30/02.
Default against 1492828 Ontario Inc., 1533649 Ontario Inc., David Dalglish, Lloyd Prudenza, and Mark Lennox entered 3/4/03.
Stipulated order for preliminary injunction with asset freeze and other relief against Paul Schroeder entered 3/14/03.
Order for preliminary injunction with asset freeze and other relief against 1533649 Ontario, Inc. entered 3/27/03.
Order for permanent injunction and final judgment against defendants 1492828 Ontario Inc., 1533649 Ontario Inc., David Dalglish, Lloyd Prudenza, and Mark Lennox entered 12/2/03.
Stipulated order for permanent injunction and final judgment against defendant Leslie Anderson, including \$250,000 in consumer redress, entered 2/24/04.

Stipulated order for permanent injunction and final judgment against defendant Paul Schroeder, including payment of approximately \$1.8 million for consumer redress, entered 7/28/04.

FTC v. 4086465 CANADA, INC., No. 1:04-CV-1351 (N.D. Ohio)

Parties: 4086465 Canada, Inc., d/b/a International Protection Center and Consumers Protection Center
Alain Chikhani, a/k/a Allain Chikani
Rafik Chikani

Assigned Attorneys: Jon Miller Steiger (ECR)
Larissa L. Bungo

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule and the Gramm-Leach-Bliley Act in connection with the sale of a service which purported to protect customers from telemarketing fraud and abuse.

Status: Complaint for injunctive and other equitable relief filed 7/19/04.
TRO with asset freeze entered 7/19/04; extended 7/29/04.
Stipulated preliminary injunction entered 8/26/04.

FTC v. 4049705 CANADA, INC., No. 04C-4694 (N.D. Ill.)

Parties: 4049705 Canada, Inc., d/b/a Pinnacle
3782484 Canada, Inc., d/b/a M.D.S.C. Publishing
Terrence Croteau

Assigned Attorneys: Todd M. Kossow (MWR)
Katherine Romano Schnack

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of business directory listings.

Status: Complaint for injunctive and other equitable relief filed 7/19/04.
TRO entered 7/27/04.
Preliminary injunction entered 9/9/04.

FTC v. 627867 B.C. LTD., No. C03-3166 (W.D. Wash.)

Parties: 627867 B. C. Ltd., d/b/a Newport Group
 633142 B. C. Ltd., d/b/a Newport Group
 638541 B. C. Ltd., d/b/a Newport Group
 654679 B. C. Ltd., d/b/a Newport Group
 651482 B. C. Ltd., d/b/a West Star
 Steven Albert Ironside
 Bruce George Alexander Ironside

Assigned Attorney: Mary T. Benfield (NWR)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of Australian lottery participation or winnings.

Status: Complaint for injunctive and other equitable relief filed 10/21/03.
 Ex parte TRO entered 10/22/03.
 Preliminary injunction entered 10/31/03.
 Default entered 12/22/03.
 Stipulation and order vacating default entered 2/24/04.

FTC v. 9094-5114 QUEBEC, INC., No. 03C 7486 (N.D. Ill.)

Parties: 9094-5114 Quebec, Inc., d/b/a Kinito, Inc., Kinito Benefits Services, KBS,
and First Approval Benefits
Nikolaos Rothos
Steve Vrontakis
Ana Vrontakis
Roberto Mendez
ACMS, Inc.

Assigned Attorney: John C. Hallerud (MWR)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales
Rule in connection with the sale of advance fee credit cards.

Status: Complaint for permanent injunction and other equitable relief filed
10/23/03.
TRO with asset freeze entered 10/23/03.
Amended complaint, adding defendant ACMS, Inc. and dismissing Ana
Vrontakis filed 9/23/04.
Stipulated order for permanent injunction and final judgment entered
9/23/04.

FTC v. ALYON TECHNOLOGIES, INC., No. 1:03-CV-1297 (N.D. Ga.)

Parties: Alyon Technologies, Inc.
TelCollect Inc.
Stephane Touboul

Assigned Attorneys: David Torok (BCP/MP)
Jonathan Kraden

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Pay-Per-Call-Rule in connection with the operation of a billing system to service vendors.

Status: Complaint filed 5/13/03.
Commission's motion for a preliminary injunction filed 5/13/03;
Defendants' response filed 6/3/03; Commission's reply filed 6/6/03.
Preliminary injunction hearing held 6/18/03.
Order denying as moot the Commission's motion for a preliminary injunction entered 7/10/03.
Defendant TelCollect, Inc.'s motion to dismiss filed 7/18/03;
Commission's response filed 7/31/03; reply filed 8/13/03; order denying motion entered 10/17/03.
Commission's motion for reconsideration of the Court's denial of the motion for a preliminary injunction filed 7/25/03; defendants' opposition filed 8/11/03; reply filed 8/28/03; order granting motion in part and denying in part entered 10/17/03.

FTC v. AMERICAN DREAM ENTERPRISES, LLC, No. 04-20904 (S.D. Fla.)

Parties: American Dream Enterprises, LLC
Andres Fernandez Salvador

Assigned Attorney: Edwin Rodriguez (BCP/ENF)

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

Status: Complaint for permanent injunctive and other equitable relief filed 4/15/04.
Stipulated final judgment and order for permanent injunction, monetary redress, and other equitable relief entered 9/23/04.

FTC v. AMERICAN ENTERTAINMENT DISTRIBUTORS, INC., No. 04-22431 (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: Deborah Matties (BCP/MP)
Michael Mora

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.

FTC v. AMERIDEBT, INC., No. PJM 03-3317 (D. Md.)

Parties: AmeriDebt, Inc.
DebtWorks, Inc.
Andris Pukke
Pamela Pukke, a/k/a Pamela Shuster, relief defendant

Assigned Attorneys: Lucy E. Morris (BCP/FP)
Allison I. Brown
Maiysha R. Branch
James Silver

Alleged Conduct: Deceptive practices in violation of Section 5 and the Gramm-Leach-Bliley Act in connection with the offering of credit counseling services.

Status: Complaint for injunctive and other equitable relief filed 11/19/03.
Defendants' motions to dismiss filed 1/14/04; Commission's memoranda in opposition filed 2/6/04; Defendants' reply briefs filed 2/27/04.
Hearings on motions to dismiss held 5/3/04.
Order denying motion to dismiss entered 9/24/04.
Defendant AmeriDebt, Inc.'s notice of Chapter 11 bankruptcy case and automatic stay filed 6/7/04; Commission's response filed 6/10/04; defendant's reply filed 6/25/04; order denying motion for stay entered 9/24/04.

FTC v. AMERITEL PAYPHONE DISTRIBUTORS, INC., No. 00-0514-CIV-
GOLD/SIMONTON (S.D. Fla.)

Parties: Ameritel Payphone Distributors, Inc.
Roy B. Goodman
Public Telephone Corporation
Nathan Matalon
Kimberly Matalon
Lenora Kaus

Assigned Attorney: Douglas Wolfe (BCP/MP)

Alleged Conduct: Violations of Section 5 and the Franchise Rule in connection with the marketing and sale of payphone business adventures.

Status: Complaint filed 2/7/00.
Stipulated preliminary injunction entered 2/9/00.
Stipulated final judgment entered 2/1/01.
Commission's motion to hold defendants in contempt for violations of the permanent injunction and ex parte motion for a TRO filed 8/27/03.
Evidentiary hearing held 9/10/03.
Order holding respondents in civil contempt entered 10/15/03.
Hearing regarding scope of the contempt remedy held 3/5/04.
Order imposing final civil contempt remedies, requiring defendants to disgorge \$923,121, entered 4/9/04.
Notice of suggestion of death of defendant Roy B. Goodman filed 4/14/04.
Commission's motion for order to show cause why Nathan Matalon should not be held in contempt for failure to comply with disgorgement order filed 6/25/04; order granting Commission's motion setting a show cause hearing entered 7/15/04; order cancelling hearing entered 7/21/04.
Order granting extension of time to substitute a successor to Roy B. Goodman entered 7/9/04.
Order granting receiver's motion for approval of settlement with Nathan Matalon entered 8/10/04.

FTC v. ASSAIL, INC., Nos. 03-50795, 03-51281, 03-51461, 03-51462; 04-50109 (5th Cir.);
No. W03-CA-007 (W.D. Tex.)

Parties: Assail, Inc.
Kyle Kimoto
Cliff Dunn
Mike Hendricksen
Infinium, Inc.
Market-Rep.com, Inc., d/b/a/ Market-Reps.com, Inc.
Brian Schofield
Specialty Outsourcing Solutions, Ltd.
Jay Lankford
Lee Murphy
Summit Communications International, Inc., d/b/a Advantage Capital
Benefits
Matthew Ho
Capital First Benefits, Inc.
Ben Lee
Premier One Benefits, Inc.
Johnson Salanga
Lawrence Silverman
Joel Best
Lamar Holding, Inc. (relief defendant)

Assigned Attorneys: Robert S. Kaye (BCP/MP)
LaShawn Johnson
John A. Singer (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule and the Gramm-Leach-Bliley Act in connection with an advance fee credit card scam.

Status: Complaint for injunctive and other equitable relief filed 1/9/03.
Ex parte TRO with asset freeze entered 1/9/03.
Stipulated preliminary injunction order as to defendants Brian Schofield, Infinium, Inc., and Market-Rep.com, Inc. entered 2/4/03.
Stipulated preliminary injunction order as to defendants Specialty Outsourcing Solutions, Ltd., Jay Lankford, and Lee Murphy entered 2/4/03.
Preliminary injunction order as to defendants Assail, Inc., Kyle Kimoto, Cliff Dunn, Mike Hendricksen, Summit Communications International, Inc., Matthew Ho, Capital First Benefits, Inc., Ben Lee, Premier One Benefits, Inc., and Johnson Salanga entered 2/4/03.
Motion by Assail, Inc. and Kyle Kimoto to dissolve preliminary injunction filed 3/18/03; Commission's response in opposition filed 3/28/03;

order denying motion entered 4/4/03.

Motion to dissolve preliminary injunction as to Par 3, Inc. filed 4/17/03; Commission's opposition filed 5/7/03; order denying motion entered 6/12/03.

Notice of appeal by Par 3, Inc., requesting modification of preliminary injunction to exclude it from asset freeze filed 7/9/03; docketed as No. 03-50795 (5th Cir.) 7/18/03; briefing completed 12/1/03; oral argument held 4/7/04; appeal dismissed 5/10/04.

Stipulated permanent injunction and monetary judgment as to defendants Kyle Kimoto and Assail, Inc. entered 9/22/03.

Stipulated permanent injunction and monetary judgment as to defendants Brian Schofield, Infinium, Inc. and Market-Rep.Com, Inc., including payment of \$200,000 for consumer redress, 9/22/03.

entered

Stipulated permanent injunction and monetary judgment as to defendants Specialty Outsourcing Solutions, Ltd., Jay Lankford, and H. Lee Murphy, including payment of \$512,000 for consumer redress entered 9/22/03.

Notice of Appeal by Valdine Management Co. and Steven Henriksen as to civil contempt motion filed 10/24/03; docketed as No. 03-51281 11/13/03; order granting motion to withdraw appeal entered 12/31/03.

Notice of appeal by Dean Kajioka as to order denying attorney fee petition and requiring payment of \$40,000 to receiver filed 12/15/03; docketed as No. 03-51461 12/31/03; appellant's opening brief filed 7/2/04; Commission's opposition filed 9/3/04; receiver's opposition filed 9/16/04.

Notice of appeal by Robert Draskovich as to order denying attorney fee petition and requiring payment of \$210,000 to receiver filed 12/15/03; docketed as No. 03-51462 12/31/03; appellant's opening brief filed 7/16/04; receiver's opposition filed 9/16/04; Commission's opposition filed 9/17/04.

Order incarcerating James Fales for civil contempt of preliminary injunction entered by district court 1/6/04.

Notice of appeal by James Fales filed 1/15/04; docketed as No. 04-50109 1/30/04; appellant's opening brief filed 6/24/04; receiver's opposition filed 8/24/04; Commission's opposition filed 8/25/04; appellant's reply filed 9/27/04.

Second amended complaint (No. W03-CA-007) for injunctive and other relief adding defendant Lawrence Silverman and relief defendant Lamar Holding, Inc. filed 3/4/04; stipulated preliminary injunction entered 4/7/04.

Stipulation resolving order to show cause why Richard D. Frizler, Sr., Richard D. Fritzler, II and Nevada Corporate Services, Inc. should not be held in contempt approved 6/21/04.

Appellant Fales' motion for a stay (04-50109) filed 6/24/04; stay denied

7/15/04.

Stipulated order for permanent injunction and monetary judgment for defendant Clifford Dunn entered 6/28/04.

million Order finding James Fales in contempt and requiring him to pay \$2 to the Receiver entered 6/28/04.

Default judgment and permanent injunction as to defendants Summit Communications International, Inc., Capital First Benefits, Inc., Premier One Benefits, Inc., and Matthew Ho entered 7/28/04.

Stipulated order for permanent injunction and monetary judgment as to defendant Joel Best entered 9/8/04.

Stipulated order for permanent injunction and monetary judgment as to defendant Lawrence Silverman and relief defendant Lamar Holding, Inc. entered 9/8/04.

Hearing in district court held and order incarcerating defendant James Fales entered 9/10/04.

Notice of dismissal of Kimoto bankruptcy case filed 9/13/04.

Appellant Fales' motion for a stay (04-50109) filed 9/17/04; stay denied 9/20/04.

injunction order Order granting the motion of Par 3, Inc. to set aside the permanent injunction as to it and re-entering the preliminary as a TRO entered 9/17/04.

Order entering suspended judgment in the amount of \$105.7 million as to defendants Kyle Kimoto and Assail, Inc. entered 9/24/04.

Stipulated preliminary injunction against Par 3, Inc. entered 9/30/04.

FTC v. ASSOCIATED RECORD DISTRIBUTORS, INC., No. 02-CV-21754 (S.D. Fla.)

Parties: Associated Record Distributors, Inc.
Alfredo Susi
Russell MacArthur
David Siegel
Brian Morgenstern

Assigned Attorney: Michael Mora (BCP/MP)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Franchise Rule in connection with the promotion and sale of audio cassette and compact disc display rack business ventures.

Status: Complaint filed 6/12/02.
Stipulated preliminary injunction as to Associated Record Distributors, Alfredo Susi, and Russell MacArthur entered 6/27/02.
Stipulated final judgment and order for permanent injunction and other relief as to defendants Associated Record Distributors, Inc. and Alfredo Susi entered 5/21/03.
Stipulated final judgment and order for permanent injunction and other relief as to defendant Russell Macarthur entered 5/21/03.
Stipulated final judgment and order for permanent injunction and other relief as to defendant David Siegel entered 5/22/03.
Stipulated final judgment and order for permanent injunction and other relief as to defendant Brian Morgenstern entered 5/22/03.
Ex parte motion for TRO and order to show cause why defendant Russell MacArthur and respondent Virtual Media Systems, Inc. should not be held in contempt for violating permanent injunction filed 9/28/04; granted 9/29/04.

FTC v. BAY AREA BUSINESS COUNCIL, INC., No. 04-2173 (7th Cir.); No. 02C-5762 (N.D. Ill.)

Parties: Bay Area Business Council, Inc.
Bay Area Business Council Customer Service Corp.
American Leisure Card Corp.
Bay Memberships, Inc.
Sr. Marketing Consultants, Inc.
Special Technologies, Inc.
Bay Vacations, Inc
Peter J. Porcelli, II
Christopher Tomasulo
Bonnie A. Harris

Assigned Attorneys: David A. O'Toole (MWR)
Guy G. Ward
Leslie R. Melman (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of advance fee credit cards.

Status: Complaint filed 8/13/02.
TRO entered 8/14/02.
Orders extending TRO entered 8/21/02; 8/26/02; 9/11/02.
Stipulated preliminary injunction entered 10/2/02.
Amended complaint adding defendants Bay Memberships, Inc., Sr. Marketing Consultants, Inc., Special Technologies, Inc., and Bay Vacations, Inc. filed 10/22/02.
Commission's motion to add Bay Vacations, Bay Membership, Sr. Marketing Consultants and Special Technologies to the receivership filed 10/26/02; defendants' response filed 2/27/03; Commission's reply filed 3/13/03.
Defendants Bay Membership, Sr. Marketing Consultants and Special Technologies' ch. 11 bankruptcy petitions, in Middle District of Florida, filed 11/1/02; Commission's motions to dismiss bankruptcy petitions filed 1/31/03.
Defendant Bay Vacations' motion to dismiss filed 11/27/02; Commission's response filed 1/10/03; defendants' reply filed 2/27/03; denied 3/13/03.
Defendants Bay Area Business Council, Bay Area Business Council Customer Service, American Leisure Card, Porcelli and Harris' answer and counterclaim filed 11/27/02.
Defendants Bay Memberships, Inc., Sr. Marketing Consultants and Special Technologies' answers to amended complaint filed 1/16/03.
Commission's motion to dismiss counterclaim and strike affirmative

defenses filed 1/27/03; defendants' response filed 2/27/03;
Commission's reply filed 3/13/03.
Order granting Commission's motion to dismiss counterclaim and strike
affirmative defenses entered 4/30/03.
Commission's motion for summary judgment filed 12/12/03; defendants'
response filed 2/9/04; Commission's reply filed 2/23/04.
Order granting Commission's motion for summary judgment entered
4/14/04.
Order for permanent injunction with monetary judgment and other relief,
including \$12,563,962.34 in consumer redress, entered 4/14/04.
Notice of appeal filed 5/4/04.
Order directing appellants to show cause why the appeal should not be
dismissed for lack of prosecution entered 8/19/04.

FTC v. BRASWELL, No. CV-03-3700 DT (PJWx) (C.D. Cal.)

Parties: A. Glenn Braswell
JOL Management, Co.
G.B. Data Systems, Inc.
Gero Vita International, Inc.
Therapeutics, Inc.
Ron Tepper
Hasley Holding LLC
Health Quest Publications, Inc.
G.B. Data Systems, Inc.
Dr. Ronald Lawrence
Dr. Hans Kugler
Chase Revel

Assigned Attorneys: Rosemary Rosso (BCP/AP)
Mamie Kresses
Kenneth H. Abbe (WR-LA)

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 of the FTC Act in connection with the sale of dietary supplements and other health-related products.

Status: Complaint for permanent injunction and other equitable relief filed 5/27/03.
Defendant Ron Tepper's motion to dismiss complaint for lack of jurisdiction filed 7/14/03; Commission's opposition filed 8/29/03; reply filed 9/8/03; defendant Braswell's motion to join Tepper's motion filed 9/11/03.
Defendant A. Glenn Braswell's motion to stay proceedings pending resolution of criminal charges filed 7/14/03; defendant Tepper's motion to join Braswell's motion filed 8/4/03; Commission's opposition filed 8/29/03; reply filed 9/8/03.
Order denying motion to stay proceedings entered 9/15/03.
Order denying motion to dismiss complaint entered 9/15/03.
Commission's motion to file first amended complaint for permanent injunction and order equitable relief, adding defendants Hasley Holding LLC, Health Quest Publications, Inc., G.B. Data Systems, Inc., Dr. Ronald Lawrence, Dr. Hans Kugler, and Chase Revel, filed 3/31/04; defendants' opposition filed 4/13/04; Commission's reply in support filed 4/19/04; order granting Commission's motion to file first amended complaint entered 4/26/04.
Defendants Dr. Ronald Lawrence and Dr. Hans Kugler's motion to dismiss Count I-VI of Commission's first amended complaint filed 6/14/04; Commission's opposition filed 6/28/04; defendants' reply filed 7/6/04; order denying defendants' motion entered 7/19/04.

FTC v. BRYANT, No. 3:04-cv-897-J-32MMH (M.D. Fla.)

Parties: Gregory Bryant, d/b/a Gregory Bryant & Associates, Dove Marketing Corporation, GBA Publishing, Inc., GBA Financing, Network Marketing, Miracle Moms, and DM Marketing Services
Nadira Bryant, d/b/a Gregory Bryant & Associates, Dove Marketing Corporation, GBA Publishing, Inc., GBA Financing, Network Marketing, Miracle Moms, and DM Marketing Services

Assigned Attorneys: James H. Davis (BCP/MP)
Shaundra L. Watson

Alleged Conduct: Deceptive practices in violation of Section 5, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003, and the Telemarketing and Consumer Fraud and Abuse Prevention Act in connection with the sale of work-at-home business opportunities.

Status: Complaint for permanent injunction and other equitable relief filed 9/15/04.
Ex parte TRO with asset freeze entered 9/17/04.

FTC v. CALL CENTER EXPRESS CORPORATION, No. 04-22289 CIV-MARTINEZ/KLEIN
(S.D. Fla.)

Parties: Call Center Express Corporation
Edgar Alirio Gonzalez
Pablo Jose Martinez
Abreu Advertising, Inc., d/b/a La Familia Group
Liens Abreu
Rafael L. Abreu
Pro Line Card LLC
Julio Cesar Sandoval
Carlos Felipe Mendez

Assigned Attorneys: Jessica D. Gray (SER)
Shibani Baksi
Andrea L. Foster

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of advanced fee credit cards.

Status: Complaint for injunctive and other equitable relief filed 9/14/04.
TRO entered 9/16/04.
Stipulated preliminary injunction as to defendants Abreu Advertising,
Inc., Liens Abreu, Rafael L. Abreu, Call Center Express Corporation,
Edgar Alirio Gonzalez, and Pablo Jose Martinez entered 9/29/04.

FTC v. CAPITAL CHOICE CONSUMER CREDIT, INC., No. 04-12776 (11th Cir.); No. 02-21050-CIV-Ungaro-Benages (S.D. Fla.)

Parties: Capital Choice Consumer Credit, Inc., d/b/a National Credit Shopper and NCS
Millennium Communications and Fulfillment, Inc., d/b/a National Research Group
E-Credit Solutions, Inc.
Zentel Enterprises, Inc.
Ecommex Corporation
Hartford Auto Club, Inc.
Ricardo E. Martinez
Scott A. Burley
Johnnie Smith
Willfredo Lugo

Assigned Attorneys: Brinley H. Williams (ECR)
Michael Milgrom
Brenda W. Doubrava
Michael B. Rose
Leslie R. Melman (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the marketing and sale of advance-fee credit cards.

Status: Complaint for injunctive and other equitable relief filed 4/8/02.
TRO entered 4/9/02; served 4/22/02.
Amended complaint for injunctive and other equitable relief in order to add defendant Ecommex, Corp. filed 4/22/02.
Stipulated preliminary injunction as to defendants Scott Burley and E-Credit Solutions entered 4/22/02.
Preliminary injunction hearing held for remaining defendants on 4/19/02 and 4/22/02.
Consent agreement for preliminary injunctive relief as to Exommex Corp., Millennium Communications, Capital Choice Consumer Credit, Inc., and Ricardo Martinez entered 4/23/02.
Second amended complaint adding Johnnie Smith, Willfredo Lugo, and Zentel Enterprises as additional defendants filed 8/8/02.
Motion for partial summary judgment against defendants Capital Choice Consumer Credit, Millennium Communications and Fulfillment, and Ecommex Corp. filed 1/24/03.
Response in opposition to motion for partial summary judgment filed 2/20/03.
Reply in support of motion for partial summary judgment filed 3/3/03.
Stipulated final judgment and order as to defendants E-Credit Solutions,

partial

Inc., Scott A. Burley, and Zentel Enterprises, Inc., requiring payment of \$601,031.58 for consumer redress entered 5/21/03. Order granting in part and denying in part Commission's motion for summary judgment entered 6/2/03.

Commission's motion to file third amended complaint for injunctive and other equitable relief against remaining defendants, adding charges of violating the Electronic Fund Transfer Act and Regulation E in connection with their upsales filed 6/4/03; denied 6/6/03.

Trial held 6/30/03-7/10/03.

Final judgment against defendants, requiring \$36.7 million in consumer redress, entered 2/18/04.

Defendant Johnnie Smith's motion for rehearing and/or amendment of final judgment order filed 3/3/04; Commission's response filed 3/22/04.

Defendants Capital Choice Consumer Credit, Inc., Millennium Communications and Fulfillment, Inc., Ricardo E. Martinez, Ecommex Corporation, and Hartford Auto Club, Inc.'s motion for rehearing and/or amendment of final judgment order filed 3/3/04; Commission's response filed 3/18/04.

Defendant Wilfredo Lugo's motion for rehearing and/or amendment of final judgment order filed 3/4/04; Commission's response filed 3/19/04; reply filed 3/29/04.

Order denying defendants' motion for rehearing and stay entered 4/16/04.

Defendants' notices of appeal filed 5/28/04.

FTC v. CAPITAL CITY MORTGAGE CORP., Civ. No. 98-237 (D.D.C.)

Parties: Capital City Mortgage Corp.
Eric J. Sanne
Thomas K. Nash
The Estate of Thomas K. Nash
The Nash Family Trust
The Nash Marital Trust
Katherine R. Nash Trust
Ann E. Nash Trust
Carolyn D. Nash Trust
Alan W. Nash (Trustee of the above daughter trusts and the Nash Family Trust)
Donald S. Nash

Assigned Attorneys: Bradley H. Blower (BCP/FP)
Sandra M. Wilmore
Alain H. Sheer
Amy Quester

Alleged Conduct: Violations of Section 5, the Truth in Lending Act, the Fair Debt Collection Practices Act, and the Equal Credit Opportunity Act by a “subprime” mortgage lender.

Status: Complaint filed 1/28/98.
Defendants’ motion for summary judgment denied 7/13/98.
Defendants’ motion for protective order limiting discovery denied 8/28/98.
Amended complaint adding defendant Eric J. Sanne filed 3/11/99.
Separate motions for partial summary judgment filed by the Commission and the defendants, 1/21/00.
Commission’s motion for partial summary judgment granted in part, denied in part, 10/10/00.
Trial originally scheduled for 4/6/02 postponed after the death of defendant Thomas K. Nash.
Order substituting the Estate of Thomas K. Nash for Thomas K. Nash as a defendant entered 4/16/02.
Motion to file a second amended complaint to add relief defendants necessitated by the death of defendant Nash filed 4/17/02.
Temporary asset freeze against Capital City Mortgage Corp. issued 4/26/02.
Order granting motion to file amended complaint adding relief defendants Nash Family Trust, Nash Marital Trust, Katherine R. Nash Trust, Ann E. Nash Trust, Carolyn D. Nash Trust, and Donald S. Nash entered 3/18/03; amended complaint filed 3/19/03.
Dismissal of complaint as to defendants Katherine R. Nash Trust, Ann E.

Nash Trust, Carolyn D. Nash Trust, and Donald S. Nash entered
5/12/03.
Consent decree and order for permanent injunction and other equitable
relief as to defendant Eric J. Sanne entered 5/6/04.
Trial scheduled for 6/6/05.

FTC v. CHASE FINANCIAL FUNDING, INC., No. SACV 04-549 GLT (ANx) (C.D. Cal.)

Parties: Chase Financial Funding, Inc.
James F. Berry
Suzanne Admire
Jeremy Alexander

Assigned Attorneys: T. Kevin Marr (BCP/FP)
Jeanne-Marie Burke
Virginia Quale
Barbara Chun (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 for injunctive and other equitable relief filed 5/12/04.
Stipulated preliminary injunction entered 5/28/04.

FTC v. CHECK INVESTORS, INC., No. 03-2115 (JWB) (D.N.J.)

Parties: Check Investors, Inc.,
Check Enforcement, Inc.,
Jaredco, Inc.,
Barry S. Sussman
Elisabeth M. Sussman, a/k/a Elisabeth Rabin
Charles T. Hutchins

Assigned Attorneys: Gregory A. Ashe (BCP/FP)
Seena D. Gressin
Karen S. Hobbs

Alleged Conduct: Deceptive practices in violation of the Fair Debt Collection Practices Act and Section 5 in connection with the collection of payments for checks returned by financial institutions for non-sufficient funds.

Status: Complaint for injunctive and other equitable relief filed 5/12/03.
TRO with asset freeze, expedited discovery, and other equitable relief entered 5/19/03.
Preliminary injunction hearing held 7/9/03.
Preliminary injunction entered 8/14/03.
Commission's motion to dismiss counterclaim filed 1/20/04.
Defendants' motion to stay filed 2/3/04.
Order granting Commission's motion to dismiss counterclaim and denying defendants' motion to stay entered 3/8/04.

FTC v. THE COLLEGE ADVANTAGE, INC., No. 4:03CV179 (E.D. Tex.)

Parties: The College Advantage, Inc., d/b/a College Funding Center
Alan E. Baron
C. Funding Group, LLC, d/b/a College Funding Group
Edward F. Jacobs
Donna S. Baron
Claudia L. Jacobs

Assigned Attorneys: Gary D. Kennedy (SWR)
Judith A. Shepherd

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the offer of a financial aid program, falsely promising to procure 100% of the funding necessary for college for a fee.

Status: Complaint for permanent injunction and other equitable relief filed 5/7/03.
Ex Parte TRO with asset freeze entered 5/7/03.
Preliminary injunction hearing held 5/16/03.
Preliminary injunction with asset freeze entered 5/23/03.
Amended complaint adding relief defendants Donna S. Baron and Claudia L. Jacobs filed 6/25/03.
Order finding defendants Alan Baron and Edward Jacobs to be in contempt for violating the preliminary injunction order entered 7/21/03.
Stipulated order for preliminary injunction with asset freeze as to defendants Donna Baron and Claudia Jacobs entered 8/8/03.
Trial postponed.

FTC v. COMMUNITY AFFAIRS, INC., No. 03-60852 CIV-MARRA (S.D. Fla.)

Parties: Community Affairs, Inc., a/k/a Powertel and Mountaineer Teleservices
Christopher Heins
Luis Ferreira

Assigned Attorneys: Stephen Gurwitz (BCP/MP)
Markus Heyder

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with
telemarketing solicitations on behalf of various non-profit organizations.

Status: Complaint for injunction and other equitable relief filed 5/7/03.
Defendants' motion to dismiss the complaint filed 6/13/03; Commission's
opposition filed 6/26/03; Defendants' reply filed 7/3/03; Order
denying defendants' motion entered 3/31/04.
Stipulated final judgment and order entered 8/18/04.

FTC v. COMTEL COMMUNICATIONS GLOBAL NETWORK, INC., No. 96-CV-3134
HIGHSMITH/GARBER (S.D. Fla.)

Parties: Comtel Communications Global Network, Inc.
Marc Zimmerman
Victoria Zimmerman
Eric Zimmerman
Philip Berger
International Toy Distributors, Inc.
David Silbergleit
Michael Greenberg

Assigned Attorney: Douglas Wolfe (BCP/MP)

Alleged Conduct: Deceptive practices and Franchise Rule violations in the sale of payphone
business opportunities.

Status: Complaint filed 11/4/96.
Ex parte TRO with asset freeze entered 11/5/96.
Stipulated preliminary injunction entered 1/7/97 and 1/10/97.
Amended complaint filed and TRO against 3 additional defendants
entered 3/14/97.
Motion for civil contempt filed 8/97; contempt order entered as to 3
defendants, 12/19/97.
Stipulated final judgment filed 9/13/00; entered 9/19/00.
Commission's motion for contempt against Eric Zimmerman for
violations of a permanent injunction and an ex parte TRO for
violations of the ban against his participation in any manner in the
offering or sale of business opportunities filed 9/10/03.
Ex parte TRO entered 9/12/03.
Order postponing show cause hearing due to Eric Zimmerman's
incarceration for probation violation entered 10/20/03.

FTC v. CREDIT ENHANCEMENT SERVICES, LLC, No. CV-02-2134 (E.D.N.Y.)

Parties: Credit Enhancement Services, LLC
Liberty Benefits, LLC
Broadway Management, LLC
Check Fee, LLC, a/k/a Titanium Blue
Port of Call Centers, LLC
Port of Call Centers NY, LLC
Frederick J. Dick, Jr.

Assigned Attorney: Michele Stolls (NER)
Ann Weintraub

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the marketing and sale of advance fee credit cards.

Status: Complaint for injunctive and other equitable relief filed 4/9/02.
Stipulated preliminary injunction order, containing an asset freeze provision, entered 5/29/02.
Motion to amend complaint adding defendants Liberty Benefits, LLC; Broadway Management, LLC; Check Fee, LLC, a/k/a Titanium Blue; Port of Call Centers, LLC; Port of Call Centers NY, LLC filed 8/29/02; granted 10/1/02.
Amended complaint filed 10/8/02.
Motion for preliminary injunction as to the new defendants filed 11/4/02.
Stipulated order for preliminary injunction, including asset freeze, as to the new defendants entered 11/7/02.
Commission's statement of material facts not in dispute on motion for summary judgment on liability, with defendants' counter-statement, filed 3/13/03.
Commission's motion for summary judgment on liability and damages filed 6/30/03; defendants' opposition filed 7/18/03; Commission's reply filed 7/29/03.
Order granting Commission's motion for summary judgment on liability and damages in the amount of \$11,777,881.41 entered 3/31/04.
Commission's post-judgment motion to amend the final judgment and order for permanent injunction and other equitable relief to include the \$250,000 that previously secured defendant Frederick J. Dick, Jr.'s bail in the related criminal case filed 5/6/04; order granting motion entered 9/27/04.

FTC v. CYBERSPACE.COM, LLC, No. 04-35428 (9th Cir.); No. 00-CV-01806 (W.D. Wash.)

Parties: Cyberspace.com, LLC
French Dreams
Coto Settlement
Electronic Publishing Ventures
Olympic Telecommunications, Inc.
Ian Eisenberg
Chris Hebard

Assigned Attorneys: Collot Guerard (BCP/MP)
Michael Goodman
Marilyn E. Kerst (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of Internet services.

Status: Complaint filed 10/20/00.
Stipulated permanent injunction as to defendants Ian Eisenberg, French Dreams, and Olympic Telecommunications filed 10/10/00; entered 10/23/00.
Stipulated permanent injunction as to defendants Chris Hebard and Coto Settlement filed 10/20/00; entered 10/23/00.
Plaintiff's application for entry of default as to Cyberspace.com, LLC and as to Electronic Publishing Ventures, LLC filed 12/18/00.
Orders of default entered against Cyberspace.com, LLC, and Electronic Publishing Ventures, LLC entered 12/21/00.
Answers of defendants C. Hebard and Coto Settlement filed 3/26/01.
Answers and cross-complaint (against C. Hebard and Coto Settlement) of defendants French Dreams, Olympic Telecommunications, Inc., and Ian Eisenberg, filed 3/29/01.
Commission's motion to dismiss debtor EPV's related Chapter 11 bankruptcy case filed 3/29/01.
Notice of withdrawal of disclosure statement by debtor EPV in related Chapter 11 bankruptcy case filed 4/3/01.
Commission's motion to strike affirmative defenses of French Dreams, Olympic Telecommunications and Ian Eisenberg and, separately, to strike those of Coto Settlement and Chris Hebard filed 4/17/01.
Order granting in part and denying in part motions to strike affirmative defenses of Coto Settlement and Chris Hebard and of Ian Eisenberg, Olympic Telecommunications and French Dreams entered 5/30/01.
Order dismissing EPV's related Chapter 11 bankruptcy case entered 6/6/01.
Order granting Commission's motion for summary judgment as to liability, directing parties to try to resolve the amount of consumer

redress through mediation with magistrate, entered 7/10/02.
Commission's brief showing amount of unreimbursed consumer injury
filed 4/28/03; defendant's briefs regarding consumer injury filed
7/21/03; Commission's response filed 7/24/03.
Commission's motion for leave to file its case-in chief on consumer injury
through written testimony filed 11/26/03; opposition by Hebard
and objection by Eisenberg filed 12/8/03.
Order setting hearing for 1/5/04 and ordering that all parties present their
case-in chief through written testimony, with the declarants
available for cross-examination entered 12/8/03.
Commission and defendants' cases-in chief via deposition testimony,
declarations, and exhibits filed 12/29/03.
Trial on amount of consumer injury held 1/5/04.
Post trial briefs of all parties filed 2/14/04.
Judgment for the Commission and a finding of \$17.6 million in consumer
injury entered 3/11/04.
Notices of appeal filed 5/14/04 and 5/17/04.
Appeals consolidated 7/26/04.
Commission's motion in district court to hold Chris Hebard in civil
contempt filed 8/5/04; defendant Hebard's response filed 8/13/04;
Commission's reply filed 8/19/04; defendant Hebard's surreply
filed 8/24/04.
Defendant Hebard's motion in district court to enforce order and to
and stay order pending compliance by the FTC filed
Commission's response filed 9/7/04; defendant Eisenberg's
response filed 9/7/04; defendant Hebard's reply filed 9/9/04.
Appellants' opening briefs filed 9/3/04 and 10/4/04.
Commission's brief due 11/3/04.

modify
8/18/04;

FTC v. D SQUARED SOLUTIONS, LLC, No. 03-CV-3108 (D. Md.)

Parties: D Squared Solutions, LLC
Anish Dhingra
Jeffrey Davis

Assigned Attorneys: Daniel R. Salsburg (BCP/MP)
Mona S. Spivack

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 in connection with bombarding consumers' computers with Windows Messenger Service "pop up" spam that pitches "pop up"-removal software.

Status: Complaint for injunctive and other equitable relief filed 10/30/03.
Ex parte TRO entered 10/30/03.
Commission's motion for a preliminary injunction filed 10/30/03;
response filed 11/26/03; reply filed 12/8/03; order denying motion
and vacating TRO entered 12/16/03.
Stipulated final order entered 7/28/04.

FTC v. DATATECH COMMUNICATIONS, INC., No. 03C 6249 (N.D. Ill.)

Parties: Datatech Communications, Inc.
9106 Quebec, Inc., d/b/a Datatech Communications, Inc.
9102-3127 Quebec, Inc., d/b/a I-Point Media
Robert Brewer
Elias Bakomichalis
Gregory MacNeil

Assigned Attorneys: Theresa M. McGrew (MWR)
Guy W. Ward

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of listings in business directories via interstate telephone calls.

Status: Complaint for a permanent injunction and other equitable relief filed
9/8/03.
TRO with asset freeze entered 9/8/03.
Stipulated extension of TRO entered 10/1/03, 10/23/03, 11/21/03, 1/13/04,
2/10/04 and 2/19/04.
Stipulated preliminary injunction filed 3/30/04; entered 4/1/04.

FTC v. DAVISON & ASSOCIATES, INC., No. 97-1278 (W.D. Pa.)

Parties: Davison & Associates, Inc. George M. Davison III
Thomas Dowler Gordon M. Davison
Manufacturer's Support Services, Inc. Barbara Davison
Barbara Miele

Assigned Attorneys: Steven W. Balster (ECR)
Michael Milgrom
Brenda W. Doubrava
Albert W. Schollaert (AUSA)

Alleged Conduct: Deceptive practices in the sale of invention-promotion services.

Status: Complaint filed 7/15/97.
TRO, including asset freeze and appointment of receiver, entered 7/15/97;
extended by agreement.
Amended complaint adding defendants filed 3/23/98.
Stipulated permanent injunction as to defendant Dowler entered 2/22/99.
Commission motion for summary judgment filed 4/5/99.
Defendants' opposition to summary judgment filed 6/1/99.
Commission reply to defendants' opposition to summary judgment filed
6/17/99.
Hearing on summary judgment motion held 8/4/99.
Commission's motion for preliminary injunction filed 4/3/01.
Defendants' response filed 4/25/01.
Commission's reply filed 5/4/01.
Defendants' reply filed 5/21/01.
Memorandum opinion denying Commission's motion for a preliminary
injunction entered 3/31/03.
Order referring case to Magistrate Judge Gary L. Lancaster entered
4/24/03.
Report and recommendation of Magistrate Judge Lancaster that
Commission's motion for summary judgment be denied entered
4/24/03.
Commission's objections to the report and recommendation filed 5/8/03.
Defendants' opposition to Commission's objections filed 5/22/03.
Commission's reply in support of objections filed 6/2/03.
Order denying motion for summary judgment adopting magistrate's report
and recommendations entered 6/10/03.
Settlement conference before magistrate held 2/23/04.
Order requiring the Commission to file an amended pretrial statement
entered 2/23/04.
Commission's revised pretrial narrative statement filed 4/29/04.

FTC v. DEBT MANAGEMENT FOUNDATION SERVICES, INC., No. 8:04-CV-1674-T-

17MSS (M.D. Fla.)

Parties: Debt Management Foundation Services, Inc.
One Star Marketing, Inc.
Debt Specialist of America, Inc.
Ameridebt Group, Inc.
Credit Counseling Specialists of America, Inc.
Dale Buird, Jr.
Dale Buird, Sr.
Shawn Buird

Assigned Attorneys: Michael E. Tankersley (BCP/MP)
Thomas P. Rowan

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule, the Gramm-Leach-Bliley Act and the Credit Repair Organizations Act in connection with the sale of debt-reduction programs.

Status: Complaint for permanent injunction and other equitable relief filed 7/20/04.
TRO with asset freeze entered 7/20/04.
Stipulated preliminary injunction with asset freeze entered 8/2/04.

FTC v. DIRECT MARKETING CONCEPTS, INC., No. 04-CV-11136-GAO (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

Assigned Attorneys: Edward Glennon (BCP/AP)
Daniel Kaufman
Kial Young

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

Status: Complaint for permanent injunction and other equitable relief filed 6/1/04. Preliminary injunction as to defendants Direct Marketing Concepts, Inc., ITV Direct, Inc., and Donald W. Barrett entered 6/23/04.

FTC v. DR. CLARK RESEARCH ASSOCIATION, No. 04-3491 (6th Cir.); No. 03-CV-54
(N.D. Ohio)

Parties: Dr. Clark Research Association
Dr. Clark Behandlungszentrum GmbH, d/b/a Dr. Clark Zentrum
David P. Amrein

Assigned Attorney: Michael Milgrom (ECR)
Leslie R. Melman (OGC)

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the marketing and sale of dietary supplements and devices that “cure” serious diseases.

Status: Complaint for permanent injunction and other equitable relief filed 1/8/03.
Defendants Dr. Clark Research Association and Amrein’s motions to dismiss for lack of personal jurisdiction and for improper venue filed 2/27/03.
Defendant Dr. Clark Behandlungszentrum GmbH’s motions to dismiss for lack of personal jurisdiction and for improper venue filed 3/27/03.
Opposition to defendants Dr. Clark Research Association and Amrein’s motions to dismiss for lack of personal jurisdiction and for improper venue filed 3/27/03.
Opposition to defendant Dr. Clark Behandlungszentrum GmbH’s motions to dismiss for lack of personal jurisdiction and for improper venue filed 4/2/03.
Motion for TRO and preliminary injunction filed 8/25/03.
Stipulated TRO entered 10/2/03.
Stipulated preliminary injunction entered 11/4/03.
Notice of appeal filed 4/14/04; Commission’s motion to dismiss appeal filed 5/6/04; appeal dismissed 5/14/04; petition for rehearing filed 5/27/04; petition for rehearing denied 8/18/04.
Commission’s motion for summary judgment filed 6/1/04.
Further proceedings stayed until 11/1/04.

FTC v. ELECTRONIC PRODUCTS DISTRIBUTION, LLC, No. 02CV0888H (AJB) (S.D. Cal.)

Parties: Electronic Products Distribution, LLC
Thomas Nelson
Holly Hernandez
Energizer Products, Inc.
Ab Energizer, L.L.C.
AbFlex USA, Inc.
Martin Van Der Hoeven

Assigned Attorneys: Walter Gross (BCP/ENF)
Laureen Kapin
Amy Lloyd

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale and promotion of an electronic abdominal exercise belt, AB Energizer.

Status: Complaint filed 5/7/02.
Answers for all defendants filed 6/3/02.
Stipulated motion to stay proceedings filed 7/16/03; denied 7/16/03.
Order for a 90-day stay entered 1/21/04; 4/22/04; and 7/30/04.

FTC v. ENFORMA NATURAL PRODUCTS, INC., Nos. 02-57078, 02-56842, 00-56942 (9th Cir.); No. 00-04376 JSL (CWx) (C.D. Cal.)

Parties: Enforma Natural Products, Inc.
Andrew Grey
Fred Zinos

Assigned Attorneys: David P. Frankel (BCP/AP)
Theodore H. Hoppock
Serena Viswanathan
Barbara Chun (WR-LA)
Marilyn E. Kerst (OGC)
Lawrence DeMille-Wagman

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

Status: Complaint filed 4/25/00.
Stipulated final judgment as to defendant Zinos filed 4/25/00; entered 5/10/00.
Stipulated final judgment as to defendants Enforma and Grey (including consumer redress of \$10 million) filed 4/25/00; entered 5/11/00.
Corporate defendant's motion to clarify or modify stipulated final judgment filed 10/23/00.
Opposition filed 11/6/00.
Reply filed 11/13/00.
Motion to clarify or modify denied 11/15/00.
Notice of appeal by defendant Enforma Natural Products, Inc. filed 11/19/00.
Emergency motion in court of appeals for stay pending appeal filed 11/20/00.
Opposition filed 11/30/00.
Motion for stay denied 12/7/00.
Application to have defendant Enforma and others held in contempt for violation of stipulated final judgment, filed 1/4/02.
Lower court decision denying motion to clarify or modify final judgment affirmed by court of appeals, 2/12/02.
Second contempt application against defendants Enforma Natural Products, Inc. and Andrew Grey and respondents Twenty-Four Seven, LLC and Donna DiFerdinando filed 7/23/02.
Preliminary injunction regarding weight loss products Acceleron and Chitozyme entered by district court 10/30/02.
Notice of appeal by Enforma Natural Products, Andrew Grey, Twenty-Four Seven, LLC, and Donna DiFerdinando filed 10/31/02.
Appellants' motion for a stay in 9th Circuit (02-56842) filed and denied

11/1/02.

Appellants' opening brief (02-56842) filed 11/29/02; Commission's response brief filed 2/19/03; appellants' reply filed 3/4/03.

Preliminary injunction regarding weight loss products Fat Trapper Plus and Exercise In A Bottle entered by district court 12/09/02.

Notice of appeal by Enforma Natural Products, Andrew Grey, and Michael Ehrman filed 12/12/02.

Appellants' motion for a stay in 9th Circuit (02-57078) filed 12/17/02; Commission's opposition filed 12/19/02; order denying motion for a stay entered 12/19/02.

Appellants' opening brief (02-57078) filed 1/9/03; Commission's response filed 2/6/03; appellants' reply filed 2/19/03.

Contempt hearing in district court held 1/21/03-1/22/03.

Defendants' and respondents' motion to disqualify trial judge in district court filed 4/9/03; granted 05/29/03.

Case reassigned to Judge Stephen Wilson 05/30/03.

Defendants' brief regarding further proceedings in the district court filed 7/10/03; Commission's response filed 7/17/03; Defendants' reply filed 7/24/03.

Oral argument in the 9th Circuit (02-57078) held 9/12/03.

Defendants' and respondents' motion to disqualify court-appointed expert, Dr. David Herber, denied 9/22/03.

Defendants' and respondents' motion to dismiss the two pending contempt applications granted in part and denied in part 11/12/03.

Commission's motion to submit scientific issues to Dr. Heber filed 12/6/03; Defendants' and respondents' opposition filed 12/22/03; Commission's reply filed 12/29/03; hearing held 1/5/04.

Commission's motion to strike declaration of defense expert, Dr. Burke, filed 12/6/03; Defendants' and respondents' opposition filed 12/22/03; Commission's reply filed 12/29/03; hearing held 1/5/04; order denying motion to strike entered 1/9/04.

Order proposing a new court appointed expert and special master entered 1/12/04; defendants' disclosure of relationship of counsel with proposed court appointed expert and special master filed 2/20/04; Commission's objections to the appointment of proposed court appointed expert filed 2/21/04.

Opinion of the 9th Circuit vacating the two preliminary injunctions entered 4/1/04.

Order proposing a new court appointed expert and special master entered 9/30/04.

entered

FTC v. EPIXTAR CORPORATION, No. 03-CV-8511 (DAB) (S.D.N.Y.)

Parties: Epixstar Corporation
Liberty Online Services, Inc.
National Online Services, Inc.
B2B Advantage, Inc., a/k/a SBA Online, Inc.
William Douglas Rhodes

Assigned Attorneys: Carole A. Paynter (NER)
Ann F. Weintraub
Maria Coppola
Mazor Matzkevich

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 in connection with the sale of internet services to small businesses.

Status: Complaint for injunctive and other equitable relief filed 10/28/03.
TRO with asset freeze entered 10/29/03.
Stipulated preliminary injunction entered 11/21/03.

FTC v. ESSEX MARKETING GROUP, INC., No. 02-CV-3415 (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 Attorneys: Ann F. Weintraub (NER)
Ronald L. Waldman

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 for injunctive and other equitable relief 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.

FTC v. FGH INTERNATIONAL CORPORATION, No. CV-04-8013-AHM (C.D. Cal.)

Parties: FGH International Corporation
Inti California, Inc.
Jaime Jhonny Rojas Villanueva, a/k/a Jhonny Rojas
Wilson Rojas
Franco Morales

Assigned Attorneys: Gregory A. Ashe (BCP/ENF)
Amy M. Lloyd

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the
Telemarketing Sales Rule in connection with the sale of instructional
programs.

Status: Complaint for injunction and other equitable relief filed 9/27/04.
Ex parte TRO entered 9/28/04.

FTC v. FINANCIAL RESOURCES UNLIMITED, INC., No. 03-C-8864 (N.D. Ill.)

Parties: Financial Resources Unlimited, Inc.
Supreme Mailing Services, Inc.
Mark E. Shelton, d/b/a L. Lewis & Associates, A. Joseph & Associates

Assigned Attorney: John C. Hallerud (MWR)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of
envelope stuffing employment opportunities.

Status: Complaint for injunctive and other equitable relief filed 12/9/03.
TRO with asset freeze entered 12/15/03.

FTC v. FIRST AMERICAN PAYMENT PROCESSING, INC., No. CV-04-0074 PHX SRB (D. Ariz.)

Parties: First American Payment Processing, Inc.
Check Processing Center LLC
CET Corporation
Carl E. Towner
Matthew Robinson
Jennifer Robinson
Jennifer Suzanne Towner

Assigned Attorneys: Michael P. Mora (BCP/MP)
Marc Groman
Gary L. Ivens
Monica E. Vaca

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with processing electronic payments from consumers' bank accounts for advance-fee credit card schemes.

Status: Complaint for injunctive and other equitable relief filed 1/13/04.
Stipulated preliminary injunction entered 1/20/04.
Order staying all proceedings entered 9/10/04.

FTC v. FREECOM COMMUNICATIONS, INC., No. 03-4063 (10th Cir.); No. 2:96CV492 (D. Utah)

Parties: FreeCom Communications, Inc.
American Home Business Association, Inc.
Financial Freedom Report, Inc. Dana P. Gull
Silent Salesforce, Inc. Eleva, Inc.
FFR Marketing, Inc. Mark O. Haroldsen
Robert V. Brazell Don S. Gull
Kelly Haroldsen Annette S. Brazell

Assigned Attorneys: David Newman (WR-SF)
Janice Charter
Larence DeMille-Wagman (OGC)

Alleged Conduct: Deceptive practices in the sale of home-based business ventures.

Status: Complaint filed 6/4/96; stipulated TRO entered 6/14/96.
Motion to dismiss denied 4/21/98.
Consent decree and permanent injunction as to Brazell defendants entered 12/28/98.
Stipulated final judgment as to Haroldsen filed 8/10/99; entered 8/11/99.
Order reassigning the case to another judge entered 12/7/99.
Consent decree as to defendant American Home Business Association filed 9/7/00; entered 9/12/00.
Consent decree and order for preliminary injunction with respect to defendants FreeCom Communications Inc., Freedom Report, Inc., Financial Freedom Report Marketing, Inc. and Silent Salesforce, Inc. filed 10/22/01; entered 10/22/01.
Trial held 10/22/01 through 10/30/01.
Defendant's proposed findings and conclusions adopted, with amendments, 10/30/01.
Judgment for defendant Haroldsen and against the Commission entered 2/12/02.
Commission's motion to amend judgment and amend findings of fact and conclusions of law filed 2/25/02.
Amended judgment entered 3/13/02.
Defendant Brazell's motion for relief from consent decree filed 4/23/02.
Opposition to motion for relief from consent decree filed 5/7/02.
Reply memorandum in support of motion for relief from consent decree filed 5/20/02.
Order denying motion for relief from consent decree entered 7/16/02.
Hearing on defendant Haroldsen's motion for attorney's fees held 9/12/02.
Court's findings of fact and conclusions of law re: attorney's fees and expenses under EAJA entered 1/22/03.
Notice of appeal by the Commission filed 3/24/03.

Commission's opening brief filed 6/3/03.
Appellee's response brief filed 8/6/03.
Commission's reply brief filed 9/24/03.
Oral argument held 9/29/04.

FTC v. GARVEY, Nos. 03-55179 (9th Cir); 00-9358 GAF (CWx) (C.D. Cal.)

Parties: Steven Patrick Garvey, a/k/a Steve Garvey
Garvey Management Group, Inc.
Lark Kendall, a/k/a Kendall Carson
Mark Levine
Modern Interactive Technology, Inc.
David Richmond

Assigned Attorneys: David P. Frankel (BCP/AP)
Theodore H. Hoppock
Serena Viswanathan
John F. Daly (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of a weight loss product.

Status: Complaint filed 8/31/00.
Stipulated final judgment as to defendant Kendall filed 8/31/00; entered 11/15/00.
Order reassigning case to a new judge entered 9/25/00.
Defendants' motion to dismiss filed 10/13/00; denied 11/15/00.
Opposition filed 11/6/00.
Reply filed 11/13/00.
Defendants' answers to complaint filed 12/15/00.
Motion to strike defendants' affirmative defense against the Commission filed 1/4/01; granted 4/24/01.
Commission's motion for partial summary judgment as to defendants Modern Interactive, Mark Levine and David Richmond filed 6/1/01; denied as moot 8/14/01.
Defendants' motion for summary judgment as to all defendants filed 7/2/01; granted 8/13/01 as to defendants Modern Interactive, Mark Levine and David Richmond; denied 8/13/01 as to Steve Garvey and Garvey Management.
Commission's motion for reconsideration filed 8/24/01; denied 9/19/01.
Defendants' motion for summary judgment as to Steve Garvey and Garvey Management filed 10/1/01; denied 11/8/01.
Trial held 3/5/02 through 3/8/02.
Judgment in favor of defendants entered 11/26/02.
Notice of appeal filed 1/23/03.
Commission's opening brief filed 5/9/03.
Appellee's answering brief filed 7/8/03.
Commission's reply brief filed 8/6/03.
Oral argument held 5/11/04.

Court of appeals ruling, affirming the district court's judgment in favor of the Garvey defendants and reversing the district court's summary judgment on the Commission's claims against the Modern Interactive defendants, issued 9/1/04.

FTC v. GLOBAL WEB PROMOTIONS PTY LTD., No. 04C 3022 (N.D. Ill.)

Parties: Global Web Promotions Pty Ltd.
Michael John Anthony Van Essen
Lance Thomas Atkinson

Assigned Attorneys: Steven M. Wernikoff (MWR)
William J. Hodor
Jason K. Bowler

Alleged Conduct: Deceptive practices in violation of Section 5 and the Controlling the Assault of Non-Solicited Pornographic and Marketing Act of 2003 in connection with the operation of a massive spamming enterprise.

Status: Complaint for injunctive and other equitable relief filed 4/28/04.
TRO as to Michael John Anthony Van Essen and Lance Thomas Atkinson entered 5/13/04.
Stipulated preliminary injunction as to Global Web Promotions entered 5/13/04.
Preliminary injunction as to Michael John Anthony Van Essen and Lance Thomas Atkinson entered 5/26/04.
Default as to Michael John Anthony Van Essen and Lance Thomas Atkinson entered 8/27/04.

FTC v. GLOBAL WEB SOLUTIONS, INC., No. 03-CV-2031-HHK (D.D.C.)

Parties: Global Web Solutions, Inc., d/b/a USA Immigration Services, US
Immigrations Online, USAIS, and USIO
John Romano
Hoda M. Nofal

Assigned Attorneys: Gregory A. Ashe (BCP/ENF)
James Reilly Dolan
Joel N. Brewer

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of
travel and residency status documents and services through the internet.

Status: Complaint for injunctive and other equitable relief filed 10/1/03.
TRO entered 10/2/03.
Stipulated preliminary injunction entered 12/26/03.
Stipulated final order for permanent injunction and settlement of claims,
including approximately \$2.2 million in monetary relief, entered
6/30/04.

FTC v. GRANIK, No. 04-3616 (E.D.N.Y.)

Parties: Joel Granik
Joseph Lichter
Cyberebate.com, Inc.

Assigned Attorneys: Ronald D. Waldman (NER)
Michele Stolls

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of
consumer products and the offering of rebates.

Status: Complaint for permanent injunction and other equitable relief filed
8/20/04.
Stipulated final order for permanent injunction entered 9/21/04.

FTC v. GUERRA, No. 6:04-CV-1395-ORL-22KRS (M.D. Fla.)

Party: Amada Guerra, d/b/a AG Intercraft

Assigned Attorneys: James A. Prunty (BCP/ENF)
Gregory A. Ashe

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of phony work-at-home business opportunities.

Status: Complaint for permanent injunction and other equitable relief filed 9/21/04.
Ex parte TRO entered 9/21/04.

FTC v. GUIDESTAR DIRECT CORP., No. CV04-6671 NM (Ex) (C.D. Cal.)

Party: Guidestar Direct Corp., d/b/a Carney Direct Marketing

Assigned Attorneys: Tracy S. Thorleifson (NWR)
Tom Syta (WR-LA)

Alleged Conduct: Violations of the Telemarketing Sales Rule in connection with the sale of telephone lead lists.

Status: Complaint for permanent injunction and other equitable relief filed 8/11/04.
Stipulated order for permanent injunction and other equitable relief entered 8/17/04.

FTC v. HARRY, No. 04C-4790 (N.D. Ill.)

Parties: Creaghan A. Harry
Hitech Marketing
Scientific Life Nutrition
Rejuvenation Health Corp.

Assigned Attorneys: Steven M. Wernikoff (MWR)
Jason K. Bowler

Alleged Conduct: Deceptive practices in violation of Section 5 and the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 in connection with a massive spamming enterprise.

Status: Complaint for injunctive and other equitable relief filed 7/21/04.
TRO with asset freeze entered 7/27/04; extended until 10/14/04.

FTC v. INNOVATIVE SYSTEMS TECHNOLOGY, INC., No. CV04-0728 GAF JTLx (C.D. Cal.)

Parties: Innovative Systems Technology, Inc.
Debt Resolutions Specialists, Inc.
Todd A. Baker
Jack Briggs, a/k/a John Briggs

Assigned Attorneys: Kenneth Abbe (WR-LA)
Barbara Y.K. Chun

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the offering of debt negotiation services.

Status: Complaint for injunctive and other equitable relief filed 2/4/04.
Stipulated final judgment and order for permanent injunction against defendant Jack Briggs entered 2/6/04.
Stipulated preliminary injunction as to remaining defendants entered 3/23/04.

FTC v. INTEGRATED CAPITAL INC., No. CV-N-03-0412-DWH (RAM) (D. Nev.)

Parties: Integrated Capital, Inc., d/b/a National Student Financial Aid
Sheila Cuccia

Assigned Attorneys: Gregory A. Ashe (BCP/ENF)
Robin R. Spector
Laura Schneider

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of
purported academic services.

Status: Complaint for permanent injunction and other equitable relief filed
7/31/03.
Stipulated consent order entered 8/6/03.
Commission's motion for an order holding defendants Integrated Capital
Inc. and Alan Wilson in civil contempt and for order modifying
stipulated final order filed 7/22/04.

FTC v. INTERNET MARKETING GROUP, INC., No. 3:04-0568 (M.D. Tenn.)

Parties: Internet Marketing Group, Inc.
OneSetPrice, Inc.
First Choice Terminal, Inc.
B & C Ventures, Inc.
RPM Marketing Group, Inc.
National Event Coordinators, Inc.
David G. Cutler
Cindy Gannon
Paul D. Bonnallie
Tisa Christiana Spraul
Michael J. Hatch

Assigned Attorneys: Deborah W. Dawson (SWR)
James R. Golder
James E. Elliott

Alleged Conduct: Deceptive practices in violation of Section 5, the Franchise Rule and The Telemarketing Sales Rule and National Do Not Call Registry in connection with the sale of a variety of business ventures involving telephone calling card distributorship and the ownership and operation of public-access Internet and telecommunication terminals.

Status: Complaint for injunction and other equitable relief filed 6/28/04.
Ex parte TRO with asset freeze entered 6/29/04.
Stipulated preliminary injunction with asset freeze entered 7/19/04.

FTC v. JACOBSON, No. 04-CV-1176 (D. Md.)

Parties: State of Maryland (Co-plaintiff)
Sandra L. Jacobson

Assigned Attorneys: John D. Jacobs (WR-LA)
Jennifer M. Brennan
David C. Fix (BCP/MP)
Robert Schoshinski
Dale Cantone (Maryland Attorney General's Office)

Alleged Conduct: Deceptive practices in violation of Section 5 and Maryland state law in connection with the operation of a pyramid scheme.

Status: Complaint for permanent injunction and other equitable relief filed
4/13/04.

FTC v. JUBILEE FINANCIAL SERVICES, INC., No. 02-6468 (C.D. Cal.)

Parties: Jubilee Financial Services, Inc.
John E. Gustaven
Jabez Financial Group, Inc.
Curtis Cobb
Gustaven Learning Centers, Inc.
Jemuel Apelar, a/k/a Jim Appelar
Debt Relief Counselors of America
John K. Mitchell

Assigned Attorney: Jennifer Larabee (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the marketing and sale of debt negotiation services.

Status: Complaint filed 8/19/02.
Ex parte TRO and appointment of a receiver entered 8/23/02.
Stipulation and order for preliminary injunction as to defendants Curtis Cobb and Jabez Financial Group, Inc. entered 9/4/02.
Stipulation and order for preliminary injunction as to defendants John E. Gustaven and Jubilee Financial Services, Inc. entered 9/4/02.
First amended complaint adding defendants Gustaven Learning Centers, Inc., Jemuel Apelar, Debt Relief Counselors of America, and John K. Mitchell filed 2/4/03.
Stipulation and order for preliminary injunction as to defendant Gustaven Learning Centers, Inc. entered 3/27/03.
Stipulation and final order of permanent injunction as to defendant Curtis Cobb entered 7/9/03.
Stipulation and final order of permanent injunction as to defendant John E. Gustaven entered 7/9/03.
Motion for default as to corporate defendants filed 9/3/04.
Trial scheduled for 11/16/04.

FTC v. KAMARFU ENTERPRISES, INC., No. 04-21280 (S.D. Fla.)

Parties: Kamarfu Enterprises, Inc.
Maritza Fuentes

Assigned Attorneys: Angela Floyd (BCP/ENF)
Hampton Newsome

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

Status: Complaint for permanent injunctive and other equitable relief filed 5/28/04.
Stipulated final order for permanent injunctive and other equitable relief entered 6/2/04.

FTC v. KELLY, No. CV 99 562 RJD (E.D.N.Y.)

Party: Patrick R. Kelly, d/b/a Patrick R. Kelly Enterprises and P.R.K. Enterprises

Assigned Attorney: Ann Weintraub (NER)

Alleged Conduct: Violations of Section 5 and the Credit Repair Organizations Act in connection with counseling consumers to create a new credit identity.

Status: Complaint and motion for preliminary injunction filed 1/29/99.
Preliminary injunction entered 2/10/99.
Motion for summary judgment filed 7/6/01.
Defendant's response to motion for summary judgment and motion to dismiss for improper venue filed 9/28/01.
Reply to defendant's response filed 11/26/01.
Order granting Commission's motion for summary judgment entered 3/31/04.

FTC v. KUYKENDALL, Nos. 02-6101, 02-6102 (10th Cir.); 96-CV-388-M (W.D. Okla.)

Parties: Diversified Marketing Services, Inc.
H.G. Kuykendall, Jr.
H.G. Kuykendall, Sr.
C.H. Kuykendall
National Marketing Service, Inc.
NPC Corp. of the Midwest
Magazine Club Billing Services, Inc.

Assigned Attorneys: Gary Ivens (BCP/MP)
Brian Huseman
Michele Arington (OGC)
John F. Daly

Alleged Conduct: Action to find defendants in contempt for violating a 1996 stipulated permanent injunction.

Status: Complaint filed 3/12/96.
Stipulated permanent injunction with redress (\$1.5 million) entered 10/18/96.
Commission's motion to show cause why defendants should not be found in contempt for violation of permanent injunction filed 1/28/02.
Order finding defendants in contempt and ordering defendants to pay \$39 million for consumer redress entered 3/4/02.
Motion in district court for stay pending appeal by defendants H.G.Kuykendall, Sr. and C.H. Kuykendall filed 3/22/02.
Notice of appeal by defendants H.G. Kuykendall, Sr. and C.H. Kuykendall filed 3/22/02.
Motion in district court for stay pending appeal by H.G. Kuykendall, Jr. and corporate defendants filed 3/25/02.
Notice of appeal by H.G. Kuykendall, Jr. and corporate defendants filed 3/25/02.
Order granting stay pending appeal contingent on defendants' posting superseding bond entered 4/9/02.
H.G. Kuykendall, Sr.'s and C.H. Kuykendall's motion for reconsideration of superseding bond amount filed 4/25/02; motion granted and bond amount reduced to \$5 million, entered 5/29/02.
Emergency motion by H.G. Kuykendall, Sr. and C.H. Kuykendall for stay pending appeal filed in 10th Circuit, 5/2/02; order denying motion as moot entered 6/11/02.
Opening brief of appellants H.G. Kuykendall, Sr. and C.H. Kuykendall filed 5/28/02.
Opening brief of H.G. Kuykendall, Jr. and corporate defendants filed 6/11/02.
Commission's motion to consolidate appeals filed 6/18/02; motion granted

6/20/02.
Commission's brief filed 7/8/02.
Appellants' reply briefs filed 7/25/02.
Oral argument held 9/27/02.
Opinion and judgment affirming judgment of the district court in all respects, except its determination of the amount of monetary sanctions, and remanding the proceedings for a limited new trial by jury on damages, entered 12/11/02.
Petition for panel rehearing and rehearing en banc by H.G. Kuykendall, Sr. and C.H. Kuykendall filed 12/26/02; denied 1/14/03.
Commission's petition for rehearing en banc filed 1/22/03.
Order directing appellants to file response to Commission's petition for rehearing entered 2/6/03.
Appellants' answers to Commission's petition for rehearing filed 2/18/03.
Order granting Commission's petition for rehearing en banc and ordering parties to submit supplemental briefs entered 4/8/03.
Appellants' supplemental briefs filed 5/16/03.
Commission's supplemental brief filed 7/2/03.
Appellants' reply brief filed 7/21/03.
Oral argument held 9/16/03.
Opinion and judgment vacating panel opinion; affirming district court judgment on liability as to H.G. Kuykendall, Jr., and Diversified Marketing Services, but reversing district court judgment as to H.G. Kuykendall, Sr., C.H. Kuykendall, National Marketing Service, NPC Corp., and Magazine Club Billing Services; and remanding for further proceedings on amount of contempt sanction, entered 6/10/04.
Bill of costs of H.G. Kuykendall, Sr. and C.H. Kuykendall filed 6/24/04; Commission's opposition filed 7/9/04; costs taxed by the district court clerk, in amount of \$168,477.20, entered 8/24/04.
Motion of H.G. Kuykendall, Sr. and C.H. Kuykendall for attorney's fees filed 8/16/04; Commission's opposition filed 9/3/04; H.G. Kuykendall, Sr. and C.H. Kuykendall' reply filed 9/16/04.
Commission's motion to vacate award of costs filed 8/31/04; H.G. Kuykendall, Sr. and C.H. Kuykendall's opposition filed 9/11/04.

FTC v. LISTDATA COMPUTER SERVICES, INC., No. 04-61062 (S.D. Fla.)

Party: Listdata Computer Services, Inc.

Assigned Attorney: Tracy S. Thorleifson (NWR)

Alleged Conduct: Violations of the Telemarketing Sales Rule in connection with the sale of telephone lead lists.

Status: Complaint for permanent injunction and other equitable relief filed
8/11/04.
Stipulated order for permanent injunction and other relief entered 8/17/04.

FTC v. MARK NUTRITIONALS, INC., No. SA02CA1151 XR (W.D. Tex.)

Parties: Mark Nutritionals, Inc.
Harry Siskind
Edward G. D'Alessandro, Jr.

Assigned Attorneys: Thomas B. Carter (SWR)
Deborah W. Dawson
Frederic Dunsky

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

Status: Complaint for permanent injunction and other equitable relief filed 12/5/02.
Stipulated order for preliminary injunction as to defendant Mark Nutritionals, Inc. entered 12/11/02.
Stipulated order for preliminary injunction as to defendant Edward G. D'Alessandro, Jr. entered 12/23/02.
Stipulated order for preliminary injunction as to defendant Harry Siskind entered 12/27/02.
Stipulated final order for permanent injunction and settlement of claims for monetary relief as to Edward G. D'Alessandro, Jr., including \$140,000 in disgorgement to the Commission and an additional \$40,000 disgorged to Texas, Illinois, and Pennsylvania in separate state court actions, entered 10/27/03.
Stipulated final order for permanent injunction as to Mark Nutritionals, Inc., entered 10/27/03.
Stipulated final order for permanent injunction and settlement of claims for monetary relief as to defendant Harry Siskind, including \$500,000 in disgorgement to the Commission and an additional \$500,000 disgorged to Texas, Illinois, and Pennsylvania in separate state court actions, entered 12/12/03.
Commission's motion to reopen the final order and enter the \$155 million suspended judgment against defendant Harry Siskind filed 5/21/04; defendant's response filed 6/25/04; Commission's reply filed 7/6/04.

FTC v. MEDIA MAVERICK, INC., No. 04-3395-SVW (CWx) (C.D. Cal.)

Parties: Media Maverick, Inc., a/k/a Maverick Marketing Group, a/k/a Maverick Media, d/b/a Balance Bracelet USA
Mark Jones
Charles Cody

Assigned Attorneys: Serena Viswanathan (BCP/AP)
Rielle C. Montague

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of a purported pain-relieving device.

Status: Complaint for permanent injunction and other equitable relief filed 5/13/04.

FTC v. NATIONAL AUDIT DEFENSE NETWORK, INC., No. CV-S-02-0131-RCJ-PAL, (D. Nev.)

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

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

FTC v. NATIONAL CONSUMER COUNCIL, No. SA CV 04-0474 CJC (JWJx) (C.D. Cal.)

Parties: National Consumer Council
London Financial Group
National Consumer Debt Council, LLC
SoLidium, LLC, d/b/a SoLidium Credit Recovery Services,
United Consumers Law Group, a Professional Corp.
J.P. Landis, LLC
Financial Rescue Services, Inc.
Signature Equities, LLC
M&L Springfield Trust
PC Hailey Trust
Via Lido Trust
Walter L. Haines, a/k/a Walter L. Hainowitz
Paul Kardos
Walter Joseph Ledda, a/k/a Walter W. Ledda
Harvey Warren, a/k/a Harvey W. Zvansky
Martha K. Levitsky, a/k/a Martha E. Kerchen
Mary Beth Harper, a/k/a Mary Beth Scholz

Assigned Attorneys: Jennifer Larabee (WR-LA)
Faye Chen Barnouw

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule and the Gramm-Leach-Bliley Act in connection with the offering of debt negotiation programs.

Status: Complaint for permanent injunction and other equitable relief filed 4/23/04.
TRO with asset freeze entered 5/3/04.
Stipulated preliminary injunctions entered 5/21/04.

FTC v. NEWORLD MARKETING, LLC, No. 1:04 cv 159 (W.D.N.C.)

Party: NeWorld Marketing, LLC

Assigned Attorneys: Tracy S. Thorleifson (NWR)
Charles A. Harwood

Alleged Conduct: Violations of the Telemarketing Sales Rule in connection with the sale of telephone lead lists.

Status: Complaint for permanent injunction and other equitable relief filed 8/11/04.
Stipulated order for permanent injunction and other relief entered 8/13/04.

FTC v. NEXGEN3000.COM, INC., No. CIV-03-120TUCWDB (D. Ariz.)

Parties: NexGen3000.com, Inc.
Globion, Inc.
Infinity2, Inc.
David A. Charette
Jennifer K. Charette
Robert J. Charette, Jr.
Marta N. Charette
Stephen M. Diamond
Christine A. Wasser
Edward G. Hoyt

Assigned Attorneys: Chris M. Couillou (SER)
Robin L. Rock

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the operation of a pyramid scheme.

Status: Complaint for permanent injunction and other equitable relief filed 2/18/03.
Default entered by the clerk of court 6/17/03.
Clerk's entrance of default as to Globion, Inc. entered 9/26/03.
Commission's motion for default judgment against Globion, Inc. and NexGen 3000.com filed 12/22/03.
Default judgment against Globion, Inc. and NexGen 3000.com entered 2/3/04.
Defendant Stephen Diamond's motion for summary judgment filed 2/18/04; Commission's opposition filed 3/16/04; defendant's reply filed 3/29/04.
Stipulated final judgment and order for permanent injunction as to Infinity2, Inc., Edward G. Hoyt and Christine A. Wasser entered 4/21/04.
Stipulated final judgment and order for permanent injunction as to defendants Robert Charette and Marta Charette entered 6/28/04.
Oral argument related to Defendant Stephen Diamond's motion for summary judgment held 8/18/04; order denying motion for summary judgment entered 8/24/04.

FTC v. PACIFIC FIRST BENEFIT, LLC, No. 02C-8678 (N.D. Ill.)

Parties: Pacific First Benefit, LLC
Key Nation Benefit, LLC
First Federal Benefit, LLC
Federal Credit Services, Limited
Alex Orphanou

Assigned Attorneys: Karen D. Dodge (MWR)
John C. Hallerud

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the marketing of credit cards through an outbound telemarketing operation.

Status: Complaint for injunctive and other equitable relief filed 12/2/02.
TRO with asset freeze entered 12/2/02.
Stipulated order for preliminary injunction entered 12/16/02.

FTC v. PEOPLES CREDIT FIRST, LLC, No. 8:03 CV 2353 (M.D. Fla.)

Parties: Peoples Credit First, LLC
Consumer Preferred, LLC, formerly known as Consumer First, LLC
Shaun Olmstead
Julie Connell

Assigned Attorney: Valerie M. Verduce (SER)

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

Status: Complaint for injunctive and other equitable relief filed 11/10/03.
TRO with asset freeze entered 11/10/03.
Stipulated preliminary injunction continuing asset freeze entered 12/23/03.
Dispositive motions due 11/1/04.

FTC v. PERRIGO COMPANY, No. 1:04CV01397 (RMC) (D.D.C.)

Parties: Perrigo Company
Alpharma, Inc.

Assigned Attorneys: Michael B. Kades (BC)
Bradley Albert
Ellen Connelly
Garth Huston

Alleged Conduct: Violations of Section 5 in connection with an agreement that restricted competition for store brand children's ibuprofen.

Status: Complaint for injunctive and other equitable relief filed 8/17/04.
Final order and stipulated permanent injunction as to Perrigo Company, requiring payment of \$3.75 million, entered 8/25/04.
Final order and stipulated permanent injunction as to Alpharma, Inc., requiring payment of \$2.5 million, entered 8/25/04.

FTC v. PHOENIX AVITAR, LLC, No. 04C 2897 (N.D. Ill.)

Parties: Phoenix Avitar, LLC, d/b/a Avitar Nutrition
DJL, LLC
Daniel J. Lin
Mark M. Sadek
John J. Lin
Christopher M. Chung, d/b/a AIT Herbal Marketing

Assigned Attorneys: Steven M. Wernikoff (MWR)
William J. Hodor
Jason K. Bowler

Alleged Conduct: Deceptive practices in violation of Section 5 and the Controlling the Assault of Non-Solicited Pornographic and Marketing Act of 2003 in connection with the operation of a spamming enterprise.

Status: Complaint for injunctive and other equitable relief filed 4/23/04.
TRO with asset freeze entered 4/23/04.
Preliminary injunction with asset freeze as to defendants Phoenix Avitar, LLC and DJL, LLC entered 5/6/04.
Memorandum opinion and order granting preliminary injunction as to Daniel J. Lin, Mark M. Sadek, John J. Lin, and Christopher M. Chung entered 7/30/04.

FTC v. PINNACLE MARKETING, L.L.C., No. 04-cv-185-P-C (D. Me.)

Parties: Pinnacle Marketing, L.L.C., d/b/a Health Remedies, Acadia Skin Care, Atlantic Skin Care, Atlantic Skin care Products, and Pinnacle Marketing Group, L.L.C.

Todd Flaherty
Matthew Tasker
Kevin Curty

Assigned Attorneys: Laureen Kapin (BCP/ENF)
Carol J. Jennings
Amy M. Lloyd

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

Status: Complaint for permanent injunctive and other equitable relief filed 8/26/04.
Stipulated final judgment & order for permanent injunction and monetary relief, including \$219,000 for consumer redress, entered 8/30/04.

FTC v. PLATINUM UNIVERSAL, LLC, No. 03-61987-CIV (S.D. Fla.)

Parties: Platinum Universal, LLC, d/b/a Universal Card Services and Universal Mastercard
Pulsar Data Inc., d/b/a Universal Card Services and Universal Mastercard
Jeffrey A. Ullman
Steven M. Ketover
Michael Kirkovich

Assigned Attorneys: Ann Weintraub (NER)
Elvia Gastelo

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of advance fee credit cards.

Status: Complaint for injunctive and other relief filed 11/5/03.
Ex parte TRO with asset freeze entered 11/10/03.
Stipulated preliminary injunction entered 11/18/03.
Motion to amend complaint to add defendant Michael Kirkovich filed 2/10/04; granted 2/18/04.

FTC v. PREMIER-ESCROW.COM, No. 03-488-A (E.D. Va.)

Party: One or more unknown parties d/b/a or using Premier-Escrow.com

Assigned Attorney: Michael Tankersley (BCP/MP)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Mail or Telephone Order Merchandise Rule in connection with sales from internet auction sites and classified advertisements through a specific online escrow service.

Status: Complaint for injunctive and other equitable relief filed 4/16/03.
Preliminary injunction entered 5/16/03.
Notice of voluntary dismissal filed 8/18/04.

FTC v. PROMENADE COMMUNICATIONS, LLC, No. CV-04-6657 SVW (FMOx) (C.D. Cal.)

Parties: Promenade Communications, LLC
Promenade Membership Services, LLC
Archetype Communications Corporation
Privco, LLC
International Health Group, LLC
Travelquest International, LLC
Global Media Holdings, Ltd.
Global Holdings

Assigned Attorneys: Gregory A. Ashe (BCP/ENF)
Renate Kinscheck
Laura Schneider
Thomas J. Syta (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule, and the Electronic Fund Transfer Act and Regulation E in connection with the marketing of discount buying clubs.

Status: Complaint for injunction and other equitable relief filed 8/11/04.

FTC v. QT, INC., No. 03C-3578 (N.D. Ill.)

Parties: QT, Inc.
Q-Ray Company
Bio-Metal, Inc.
Que Te Park, a/k/a Andrew Q. Park
Jung Joo Park

Assigned Attorneys: Serena Viswanathan (BCP/AP)
Rielle C. Montague

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 in connection with the sale of a pain-relief product.

Status: Complaint for injunctive and other equitable relief filed 5/27/03.
Ex parte TRO with asset freeze and other equitable relief entered 5/28/03.
Stipulated order for preliminary injunction with asset transfer restrictions and other equitable relief entered 6/12/03.

FTC v. RANNEY, No. 04-F-1065 (MJW) (D. Colo.)

Parties: Phillip W. Ranney
Armor Mortgage
Abacus Mortgage
Community Homebanc Mortgage Services, Inc.
Harbor Pacific Funding, Inc.
High Center, Inc.
Lending Strategies of Colorado, Inc.
Lite Realty Corp.
PWR Processing, Inc., d/b/a First Source America Mortgage Corp., d/b/a
NexLoan
PWR Press, Inc.
Source Funding Company
Kace, LLC
Mortgage Watch
Kathleen A. Ranney (relief defendant)

Assigned Attorneys: David M. Newman (WR-SF)
Sarah Schroeder
Kerry O'Brien

Alleged Conduct: Deceptive practices in violation of Section 5, the Truth in Lending Act,
and Regulation Z in connection with the operation as unlicensed mortgage
brokers.

Status: Complaint for injunctive and other equitable relief filed 5/26/04.
Ex parte TRO entered 5/27/04.
Preliminary injunction as to defendant Phillip Ranney entered 6/15/04.
Commission's motion for partial summary judgment against defendant
Phillip Ranney filed 8/9/04.
Commission's motion for default judgments against corporate defendants
filed 8/9/04; default judgments entered 8/13/04.

FTC v. ROYAL FLUSH SYSTEM NETWORK, INC., No. C02-1085L (W.D. Wash.)

Parties: Royal Flush System Network, Inc.
ECAPS Credit Solutions Network, Inc.
Globalot Services, Inc.
Flash Productions, Inc.
Wilson Okike
Basil Steeves
Natty Osemwengie
Obiageli Okike (relief defendant)
Lexandine Property Management, Inc.
Uchenna Okike (relief defendant)

Assigned Attorneys: Thomas P. Rowan (NWR)
Kathryn C. Decker

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

Status: Complaint for permanent injunction filed 5/15/02.
Stipulated final judgment as to defendant Basil Steeves filed and entered 5/15/02.
Entry of default as to defendants Royal Flush System Network, Inc., ECAPS Credit Solutions Network, Inc., Globalot Services, Inc., and Flash Productions, Inc. entered 1/28/03.
Commission's motion for default judgment as to Royal Flush System Network, Inc., ECAPS Credit Solutions Network, Inc., Globalot Services, Inc., and Flash Productions, Inc. filed 8/11/03.
Commission's motion for summary judgment as to defendant Wilson Okike filed 8/11/03; Defendant Wilson Okike's response filed 9/2/03; Commission's reply filed 9/4/03.
Stipulated final judgment and order for permanent injunction, consumer redress, and other equitable relief as to defendant Natty Osemwengie entered 4/21/04.
Stipulated final judgment and order for permanent injunction, consumer redress, and other equitable relief as to defendants Wilson Okike, Royal Flush System Network, Inc., ECPAS Credit Solutions Network, Inc., Globalot Services, Inc., and Flash Productions, Inc., and relief defendants Uchenna Okike and Obiageli Okike, including approximately \$371,000 in consumer redress, entered 4/21/04.
Dismissal of Lexandine Property Management, Inc. entered 4/21/04.

FTC v. SAVVIER, INC., No. LACV 03-8159 FMC (JTLX) (C.D. Cal.)

Parties: Savvier, Inc.
Savvier, LP
BodyFlex, Inc.
Greer Childers
Jack Ching Chung Chang
Jeffrey T. Tuller
Keith Greer

Assigned Attorneys: Lemuel Dowdy (BCP/ENF)
Robin Rosen Spector
Victor DeFrancis

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of an exercise device and system.

Status: Complaint for permanent injunction and other equitable relief filed 11/7/03.
Stipulated temporary order involving Greer Childers, freezing certain assets, entered 11/2/03.
TRO as to corporate and other individual defendants entered 11/6/03.
Preliminary injunction as to all defendants denied 12/19/03.
Amended complaint adding defendant BodyFlex, Inc. and dismissing defendant Keith Greer filed 1/23/04.
Stipulated final judgment and order as to defendants Savvier, Inc., Savvier, LP, Body Flex, Inc., Greer Childers, and Jeffrey T. Tuller, including a \$2.6 million consumer refund program, entered 9/1/04.
Complaint as to Jack Ching Chung Chang dismissed 9/1/04.

FTC v. SEVILLE MARKETING, LTD., No. C04-1181L (W.D. Wash.)

Parties: Seville Marketing, Ltd.
Gregory Stephen Wong

Assigned Attorneys: Janet M. Evans (BCP/AP)
Kial Young
Nadine Samter (NWR)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of HIV test kits.

Status: Complaint for permanent injunction and other equitable relief filed 5/14/04.
TRO entered 5/18/04.
Preliminary injunction entered 6/1/04.

FTC v. SILVERMAN, No. 02-CV-8920 (S.D.N.Y.)

Parties: Brian E. Silverman, d/b/a Electro Depot, BES Systems, Dallas Tech Surplus, and New York Tech Surplus
John Engholm, a/k/a John Patterson

Assigned Attorney: Ann F. Weintraub (NER)

Alleged Conduct: Deceptive practices in violation of Section 5 and The Mail or Telephone Order Merchandise Rule in connection with the offering for sale of laptop computers through online auctions hosted by “auction house” websites.

Status: Complaint for permanent injunction and other equitable relief filed 11/8/02.
Stipulated preliminary injunction entered 2/5/03.
Amended complaint for permanent injunction and other equitable relief, adding defendant John Engholm, filed 10/14/03.
Commission’s request for clerk to enter a default against defendant John Engholm filed 12/31/03; denied 2/3/04.
Stipulated permanent injunction entered 8/31/04.

FTC v. SLIM DOWN SOLUTION, LLC, No. 03-80051 (S.D. Fla.)

Parties: Slim Down Solution, LLC
Slim Down Solution, Inc.
S.S.T. Management, Inc.
The Kara Group, LLC
Ronald Alarcon
Kathleen Alarcon
Maderia Management, Inc.
Polyglucosamine, Ltd.
Steven Pierce

Assigned Attorneys: Serena Viswanathan(BCP/AP)
Karen Muoio

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

Status: Complaint for permanent injunction and other equitable relief filed 1/21/03.
Stipulated order for preliminary injunction entered 2/21/03.
Motion for partial judgment on the pleadings against defendants Maderia Management, Polyglucosamine, Ltd., and Steven Pierce filed 3/26/03.
Response to motion for partial judgment on the pleadings filed 4/9/03.
Order denying Commission's motion for partial judgment on the pleadings entered 7/7/03.
Order and judgment for permanent injunction and other equitable relief entered 5/14/04.

FTC v. SMART INVENTIONS, INC., No. CV04-4431 MM(ex) (C.D. Cal.)

Parties: Smart Inventions, Inc.
Jon D. Nokes
Darrell Stoddard

Assigned Attorneys: Laura M. Sullivan (BCP/AP)
Daniel Kaufman
Raymond McKown (WR-LA)

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 of the FTC Act in connection with the sale of a purported topical analgesic.

Status: Complaint for injunction and other equitable relief filed 6/18/04.

FTC v. SPECIAL DATA PROCESSING CORPORATION, No. 8:04-CV-1955-T-23EAJ (M.D. Fla.)

Party: Special Data Processing Corporation

Assigned Attorney: Robert M. Frisby (BCP/ENF)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of magazine subscriptions.

Status: Complaint for injunctive and other equitable relief filed 8/26/04.
Stipulated judgment for consumer redress and order for permanent injunction, including \$535,000 in consumer redress, entered 9/30/04.

FTC v. STEFANCHIK, No. CV04-1852 (W.D. Wash.)

Parties: John Stefanchik
Scott B. Christensen
Beringer Corporation
Atlas Marketing, Inc

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

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 for permanent injunction and other equitable relief filed 8/24/04.
Commission's motion for preliminary injunction filed 8/24/04.

FTC v. STETZEL, No. CV-S-03-0396-KJD-LRL (D. Nev.)

Party: Eric Stetzel

Assigned Attorneys: Jerome M. Steiner, Jr. (WR-SF)
Janice L. Charter
David M. Newman

Alleged Conduct: Deceptive practices in violation of Section 5 and the Mail or Telephone Order Merchandise Rule in connection with sales from internet auction web sites.

Status: Complaint for permanent injunction and other equitable relief filed 4/15/03.
TRO with asset freeze and other equitable relief entered 4/17/03.
Preliminary injunction with asset freeze entered 4/23/03.
Default by the Court clerk entered 5/14/03.
Application for entry of order for judgment by default and permanent injunction filed 7/7/03; order entered 10/8/03.
Order for judgment by default and permanent injunction served on defendant 7/12/04.

FTC v. STEWART FINANCE COMPANY HOLDINGS, INC., No. 1:03 CV 2648 JTC (N.D. Ga.)

Parties: Stewart Finance Company Holdings, Inc.
Stewart Finance Company, Inc.
Stewart National Finance Company, Inc.
Stewart Finance Company of Louisiana, Inc.
Stewart Finance Company of Missouri, Inc.
Stewart Finance Company of Illinois, Inc.
Stewart Finance Company of Tennessee, Inc.
D&E Acquisitions, Inc.
Preferred Choice Auto Club, Inc.
Stewart Insurance, Ltd.
J&J Insurance Ltd.
John Ben Stewart, Jr.

Assigned Attorneys: Karen Hobbs (BCP/FP)
Anne McCormick
Sandra M. Wilmore
John A. Singer (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5, Regulation Z, the Credit Practices Rule, and the FCRA in connection with subprime lending and the sale of ancillary products.

Status: Complaint for injunctive and other relief filed 9/4/03.
TRO entered 9/12/03.
Joint motion for continuance filed 9/18/03; granted 9/19/03.
Consent orders for preliminary injunction over debtor and non-debtor defendants entered 10/8/03.
Commission's motion to dismiss counterclaim, or in the alternative for summary judgment filed 12/31/03.
Commission's application for an order to show cause why defendant John Ben Stewart, Jr. and William Joseph Stewart, a non-party, should not be held in contempt filed 1/29/04; granted 2/17/04.
Commission's motion to amend the complaint for injunctive and other relief, adding successor defendant Money to Lend of Louisiana, Inc., and relief defendants The Janice S. Stewart Trust, The Family Investments, L.P., Janice S, Stewart, William Stewart, John Benjamin Stewart III filed 4/1/04;
response filed 4/9/04; reply filed 5/3/04.

Stewart
Joseph
Defendants' Hearing on the Court's order to show cause why Ben and Joe Stewart should not be held in contempt held 4/6/04.
Order holding the defendant John Ben Stewart, Jr., and the respondent William Joseph Stewart in contempt and requiring each to pay a

\$100,000 sanction or be incarcerated entered 4/16/04.
Hearing on the defendant and respondent's purported inability to pay the
\$100,000 sanctions held 5/10/04.
Order incarcerating defendant John Ben Stewart, Jr. entered 5/13/04.
Commission's motion for summary judgment filed 9/15/04.

FTC v. STF GROUP INC., No. 03-977 (N.D. Ill.)

Parties: STF Group, Inc., a/k/a STF Group, STF Group (Burlington), STF Group
(Newmarket), Start to Finish Consulting Group, Inc., Start to
Finish Consulting Group, Start to Finish Marketing, Inc., 1363883
Ontario Limited d/b/a STF Consolidated, Q Prompt, Inc., 487948
Ontario Limited
1363942 Ontario Limited, d/b/a National Credit Card Security Centre,
Korn Land Corporation, d/b/a National Credit Card Security
Med Plan, Inc., d/b/a First Med, Inc., Medical Discount, Inc., Medplan
Burlington, Medplan Mississauga, Medplan Newmarket, Medplan
North York, Medplan Scollard, Chembe Management, Inc. d/b/a
Medplan Scarborough, Great Sailing Management, Inc.,
Thunderchild Consulting, Inc., Smakk Consulting, Inc., GTCQ,
Inc., Global Discount Healthcare Benefits d/b/a Global Discount
Healthcare Benefits, Inc. and First Med, Inc.
1108114 Ontario Inc.
1349927 Ontario Inc.
Alex Korn
Allan Shiell
Sean Zaichick
Julian Shiell
Chris Quilliam
Nicholas Bridges

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

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales
Rule in connection with telemarketing credit card protection services.

Status: Complaint for injunctive and other equitable relief filed 2/10/03.
TRO with asset freeze entered 2/12/03.
TRO extended by agreement 2/25/03; 3/14/03 and 4/15/03.
Stipulated preliminary injunction entered 5/15/03.

FTC v. SUN SPECTRUM COMMUNICATIONS ORGANIZATION, INC., No. 03-81105-CIV
(S.D. Fla.)

Parties: Sun Spectrum Communications Organization, Inc.
North American Communications Organization, Inc.
WWCI2002, Inc.
9106-7843 Quebec, Inc.
William H. Martell
Tracey A. Bascove
Mitchel Kastner
Ronald Corber
Jason Kastner

Assigned Attorneys: Robert G. Schoshinski (BCP/MP)
Julie Bush

Alleged Conduct: Deceptive practices in violation of Section 5, the Telemarketing Sales Rule, and the Gramm-Leach-Bliley Act in connection with the sale of advance-fee credit cards.

Status: Complaint for permanent injunction and other equitable relief filed 12/2/03.
Ex parte TRO entered 12/3/03.
Stipulated preliminary injunction entered 2/5/04.

FTC v. TASHMAN, Nos. 04-10371-FF, 01-14137-HH (11th Cir.); No. 98-7058 Civ. (S.D. Fla.)

Parties: Stephen I. Tashman Stephen M. Mishkin
 Ernest F. Lockamy Michael S. Dundee
 Harris M. Cohen Telecard Dispensing Corp.

Assigned Attorneys: Ronald E. Laitsch (SER)
 Robin Rock
 Lawrence DeMille-Wagman (OGC)

Alleged Conduct: False and deceptive claims in violation of Section 5 and the Franchise Rule in soliciting purchasers of vending machines that dispense prepaid telephone calling cards.

Status: Complaint filed and TRO entered 9/29/98
 TRO extended by stipulation.
 Stipulated preliminary injunction entered 12/21/98.
 Commission's motion for summary judgment filed 12/16/99.
 Motion denied by order entered 3/2/00.
 Trial held 4/10-4/13/00 and 6/14-6/15/00.
 Stipulated final judgment as to defendants Mishkin and Cohen filed and entered 6/14/00.
 Order holding defendant Tashman in violation of one franchise count, dismissing other four counts, and requiring disgorgement of \$420,000 entered 5/24/01.
 Notice of appeal by Commission filed 7/18/01.
 Commission's opening brief filed 11/19/01.
 Appellee's motion for remand to district court filed 12/4/01.
 Appellee's brief filed 12/22/01.
 Denial of motion for remand to district court entered 12/27/01.
 Appellant's reply filed 1/17/02.
 Commission reply brief filed 1/22/02.
 Oral argument held 4/4/02.
 11th Circuit order vacating the District Court's judgment and remanding for entry of a judgment in the Commission's favor and for entry of appropriate relief entered 1/24/03.
 Appellees' petition for rehearing en banc filed 3/7/03; denied 4/18/03.
 Mandate of Court of Appeals in district court, for entry of judgment entered 5/2/03.
 Order on mandate enjoining defendant Tashman from further violating the Franchise Rule entered 11/18/03.
 Notice of appeal by Commission filed 1/13/04.
 Commission's opening brief filed 3/9/04.
 Appellee's brief filed 5/12/04.
 Commission's reply brief filed 6/1/04.
 Oral argument scheduled for 10/8/04.

FTC v. TELEPHONE PROTECTION AGENCY, INC., No. 5:04cv49 (W.D.N.C.)

Parties: Telephone Protection Agency, Inc.
Robert Thompson, a/k/a Greg Thompson
Rebecca Phillips
Alex McKaughn

Assigned Attorneys: Russell Deitch (BCP/MP)
Craig Tregillus

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the
Telemarketing Sales Rule in connection with the sale of purported “do not
call” and protection services.

Status: Complaint for injunctive and other equitable relief filed 4/20/04.

FTC v. 3RD UNION CARD SERVICES, INC., No. CV-S-04-0712-RCJ-RJJ (D. Nev.)

Parties: 3rd Union Card Services Inc., d/b/a Pharmacards.com
Helmcrest, Ltd.
David Graham Turner
Steve Pearson

Assigned Attorneys: Tracy S. Thorleifson (NWR)
Mary T. Benfield

Alleged Conduct: Unfair practices in violation of Section 5 in connection with electronically
debiting accounts without consumers’ knowledge or consent.

Status: Complaint for injunction and other equitable relief filed 5/24/04.
TRO with asset freeze entered 5/25/04.
Preliminary injunction as to corporate defendants with asset freeze entered
6/25/04.

FTC v. TREK ALLIANCE, INC., Nos. 03-56271, 03-56320 (9th Cir.); No. 02-9270 (C.D. Cal.)

Parties: Trek Alliance, Inc.
Trek Education Corporation, a/k/a World Wide Video Entertainment, Inc.
Vonflagg Corporation
Jeffrey Kale Flagg, a/k/a Kale Flagg
Richard Von Alvensleben, a/k/a Rich Von
Tiffani Von Alvensleben, a/k/a Tiffani Von
Harry M. Flagg

Assigned Attorneys: John D. Jacobs (WR-LA)
Jennifer M. Brennan
David C. Fix (BCP/MP)
Marilyn E. Kerst (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of
the right to participate in a network marketing program.

Status: Complaint for injunctive and other equitable relief filed 12/6/02.
TRO with asset freeze and temporary receiver entered under seal 12/9/02.
Ex parte application by individual defendants for discharge of the
temporary receiver and to dissolve the TRO filed 12/20/02; denied
12/23/02.
Order extending TRO entered 12/23/02 and 3/20/03.
Preliminary injunction hearing held 6/10/03.
Order granting preliminary injunction and appointing permanent receiver
entered 6/24/03.
Defendants' notice of appeal of the preliminary injunction filed 7/23/03.
Defendants' notice of appeal of an order denying a motion to modify the
preliminary injunction filed 7/31/03.
Defendants' opening brief on appeal filed 8/28/03; Commission's brief
filed 10/15/03.
Memorandum disposition affirming decisions below entered 11/12/03.
Order of recusal in the District Court entered 6/3/04.

FTC v. TRUDEAU, Nos. 03 C 904; 98 C 0168 (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: Laura M. Sullivan (BCP/AP)
Daniel Kaufman

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 for permanent injunction and other equitable relief filed 6/9/03. Contempt motion against Kevin Trudeau (98 C 168) filed 6/9/03; response filed 7/9/03; reply filed 7/17/03.
Stipulated TRO as to Shop America (USA), LLC entered 6/12/03.
Stipulated TRO as to Kevin Trudeau (98 C 168) entered 6/16/03.
Stipulated preliminary injunction as to defendants Robert Barefoot, Deonna Enterprises, Inc., and Karbo, Inc. entered 6/24/03.
Stipulated preliminary injunction as to defendants Kevin Trudeau and Shop America (USA), LLC entered 7/1/03.
Stipulated preliminary injunction as to defendant Kevin Trudeau in the contempt matter (98 C 168) entered 7/1/03.
Amended complaint for permanent injunction and other equitable relief, adding liability defendants Karbo Enterprises, Inc., Shop America Marketing Group, TruStar Global Media and relief defendants Corp. and TruCom, LLC, filed 11/16/03; entered 11/30/03.

K.T. Stipulated final order for permanent injunction and settlement of claims for monetary relief as to defendants Robert Barefoot, Deonna Enterprises, Inc., and Karbo Enterprises, Inc. entered 1/15/04.
Order finding defendant Kevin Trudeau in civil contempt of the preliminary injunction entered 6/29/04.
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.

FTC v. UNICYBER TECHNOLOGY, INC., No. CV04-1569 LGB (MANx) (C.D. Cal.)

Parties: Unicyber Technology, Inc.
Unicyber Gilboard, Inc.
Chul K. Han
URI Technology, Inc.
URI Communications, Inc

Assigned Attorneys: Jennifer M. Brennan (WR-LA)
Kenneth H. Abbe

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of computer systems.

Status: Complaint for injunctive and other equitable relief filed 3/9/04.
TRO with asset freeze entered 3/12/04.
Stipulated preliminary injunction entered 3/22/04.
First amended complaint for injunctive and other equitable relief, adding defendants URI Technology, Inc. and URI Communications, Inc., filed 3/30/04.
Default as to all defendants entered 5/12/04.
Stipulation and order to vacate default as to defendant Chul Han entered 6/1/04.

FTC v. U.S. GRANT RESOURCES, LLC, No. 04-0596 (E.D. La.)

Parties: U.S. Grant Resources, LLC
National Grants, LLC
John B. Rodgers
Laurel A. Rodgers

Assigned Attorneys: W. David Griggs (SWR)
Susan A. Arthur

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the offering of advance-fee grant applications.

Status: Complaint for injunctive and other relief filed 3/2/04.
Ex parte TRO entered 3/2/04.
Preliminary injunction entered 4/23/04.

FTC v. USS ELDER ENTERPRISES, INC., No. SA-cv-04-1039 AHS (ANX) (C.D. Cal.)

Parties: USS Elder Enterprises, d/b/a Salomon Press Financial Publications, Salomon Press, Editorial Salomon, Compania Americana, Companias Americanas, and Escritorio Publico Internacional
America Vespuccia Corporation, d/b/a Salomon Press Financial Publications, Salomon Press, Editorial Salomon, Compania Americana, Companias Americanas, and Escritorio Publico Internacional
Ricardo Elders Partners, Inc., d/b/a Escritorio Publico Internacional
Ricardo E. Gonzalez, a/k/a Ricardo Elder

Assigned Attorneys: Robin E. Eichen (NER)
Elvia P. Gastelo
Barbara Y. K. Chun (WR-LA)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of work-at-home business opportunities.

Status: Complaint for injunctive and other equitable relief filed 9/1/04.
Stipulated order for preliminary injunction entered 9/21/04.

FTC v. VECTOR DIRECT MARKETING, LLC, No. CV-04-0095 PHX SMM (D. Ariz.)

Parties: Vector Direct Marketing, LLC
Mike Stafford
Lisa Miller

Assigned Attorneys: Eleanor Durham (NWR)
Mary Benfield

Alleged Conduct: Unfair and deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of services purported to stop telemarketing solicitations and to protect consumers' personal information from fraud.

Status: Complaint filed 1/15/04.
TRO with asset freeze entered 1/21/04.
Stipulated preliminary injunction as to Lisa Miller entered 1/30/04.
Stipulated extension of TRO as to defendant Mike Stafford entered 1/30/04.
Default preliminary injunction as to defendant Vector Direct Marketing, LLC entered 1/30/04.
Stipulated preliminary injunction as to defendant Mike Stafford entered 2/16/04.
Default judgment as to defendant Vector Direct Marketing, LLC entered 4/16/04.
Stipulated permanent and final judgment as to defendants Mike Stafford and Lisa Miller entered 6/29/04.

FTC v. VEGA, No. H-04-1478 (S.D. Tex.)

Party: Esteban Barrios Vega, d/b/a EBV Promotions, Paymentech Promotions, and Promotions of Service

Assigned Attorney: Gregory A. Ashe (BCP/ENF)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the sale of work-at-home business opportunities.

Status: Complaint for injunction and other equitable relief filed 4/14/04.

TRO with asset freeze entered 4/15/04.
Order for preliminary injunction entered 4/23/04.
Stipulated final order for permanent injunction and settlement of claims entered 6/8/04.

FTC v. VERITY INTERNATIONAL, LTD., No. 01-6130 (2d Cir.); No. 00 CIV 7422
(S.D.N.Y.)

Parties: Verity International, Ltd.
Automatic Communications Limited
Integretel, Inc.
eBillit, Inc.
Robert Green
Marilyn Shein

Assigned Attorneys: Lawrence Hodapp (BCP/MP)
David M. Torok
Marilyn E. Kerst (OGC)

Alleged Conduct: Deceptive and unfair practices in violation of Section 5 in connection with the billing of international calls over the Internet.

Status: Complaint filed and ex parte TRO entered 10/2/00.
Opinion granting preliminary relief entered 12/14/00.
Preliminary injunction entered 1/4/01.
Application for an order to show cause why defendants R. Green and M. Shein should not be held in civil contempt filed 1/31/01.
Second amended complaint adding defendant Automatic Comm. Ltd. filed 2/27/01.
Opinion holding defendants R. Green and M. Shein in civil contempt and ordering fines, arrest, and civil commitment, 5/1/01.
Cross-motion to partially vacate or modify preliminary injunction order filed 3/27/01; denied 5/14/01.
Motion to modify preliminary injunction, including its extension to ACL, filed 4/3/01; granted in part 5/14/01.
Notice of appeal of order denying motion to vacate or modify preliminary injunction by defendants Verity International, Robert Green and Marilyn Shein filed 6/8/01; appeal dismissed 7/8/04.
Order in district court inviting Federal Communication Commission to file amicus brief on certain jurisdictional issues and directing Commission to provide relevant documents entered 1/18/02.
FCC amicus brief on jurisdictional issues filed 2/27/02.
Stipulated final judgment and order for permanent injunction as to defendants Integretel, Inc. and eBillit, Inc. signed 11/21/02; entered 12/2/02.
Order dismissing appeal for failure to comply with the scheduling order entered 7/8/04.
Opinion and order for permanent injunction as to remaining defendants, including monetary judgments totaling \$17.9 million, entered 9/17/04.

FTC v. VINYARD ENTERPRISES, No. 03-23291-CIV-ALTONAGA/BANDSTRA (S.D. Fla.)

Parties: Vinyard Enterprises, d/b/a Comfort Castle Enterprises
Sunshine Advertising & Marketing, Inc., d/b/a Dynamic Data Services
Ray A. Thompson
Judith Livingston, d/b/a Direct Business Services and Dynamic Data
Jason Lunan, d/b/a Dynamic Data Express and Comfort Castle Associates

Assigned Attorneys: Colleen B. Robbins (BCP/MP)
Gary L. Ivens

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the sale of purported work-at-home opportunities.

Status: Complaint for permanent injunction and other equitable relief filed 12/10/03.
Ex parte TRO with asset freeze entered 12/11/03.
Stipulated preliminary injunction with asset freeze entered 12/22/03.
Joint application to stay proceedings filed 7/2/04; granted 7/12/04.

FTC v. VISIONTEL COMMUNICATIONS, LLC, No. 1:04CV01412 (D.D.C.)

Parties: VisionTel Communications, LLC, d/b/a Vision Laboratories
Michael McNaboe
David Amato
Robert Dall
MJ Management
MAD Marketing, Inc.
LLAD Management, Inc.

Assigned Attorneys: Laura Koss (BCP/ENF)
Melissa D. Hart

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

Status: Complaint for permanent injunction and other equitable relief pursuant to Section 13(b) of the Federal Trade Commission Act filed 8/19/04.
Stipulated final judgment and order for permanent injunction and other equitable relief, including \$750,000 for consumer redress, entered 8/23/04.

FTC v. WEST COAST ADVERTISING & MARKETING, INC., No. 03-CV-0980 IEG (POR)
(S.D. Cal.)

Parties: West Coast Advertising & Marketing, Inc.
Mike S. Thomas
Mark A. Christiansen

Assigned Attorneys: Eleanor Durham (NWR)
Thomas P. Rowan

Alleged Conduct: Deceptive practices in violation of Section 5 in connection with the solicitation of donations for non-profit entities.

Status: Complaint filed 5/14/03.
Stipulated preliminary injunction as to defendants Mike S. Thomas and Mark A. Christiansen entered 6/4/03.
Preliminary injunction as to West Coast Advertising & Marketing, Inc. entered 6/30/03.

FTC v. WINDOW ROCK ENTERPRISES, INC., No. CV04-8190 DSF (JTLx) (C.D. Cal.)

Parties: Window Rock Enterprises, Inc., d/b/a Window Rock Health Laboratories,
d/b/a CortiSlim
Infinity Advertising, Inc.
Stephen F. Cheng
Shawn M. Talbott
Gregory S. Cynaumon

Assigned Attorneys: Peter B. Miller (BCP/AP)
Kial Young (NWRO)

Alleged Conduct: Deceptive practices in violation of Sections 5 and 12 of the FTC Act in connection with the sale of dietary supplements CortiSlim and CortiStress, including deceptive format for infomercials.

Status: Complaint for permanent injunction and other equitable relief filed 9/30/04.

FTC v. WORLD MEDIA BROKERS INC., No. 04-2721 (7th Cir.); No. 02C-6985 (N.D. Ill.)

Parties: World Media Brokers Inc., a/k/a 913062 Ontario Inc.
1165107 Ontario Inc., also d/b/a Canadian Catalogue, Canadian Catalogue Services, CCS, and Interwin Marketing
Faby Games Inc., a/k/a 1106759 Ontario Inc., also d/b/a Canadian Catalogue Services, and CCS
624654 Ontario Limited, also d/b/a Express Sales, Express Marketing Services, EMS, and First Telegroup Marketing
637736 Ontario Limited, also d/b/a Express Marketing Services and EMS
537721 Ontario Inc., also d/b/a Canadian Express Club
Express Marketing Services LTD., also d/b/a EMS
Cash & Prizes, Inc.
Intermarketing Services, Inc.
George Yemec
Anita Rapp
Steven Rapp
Paul Teskey
Jean-Paul Teskey
Dean Temple

Assigned Attorney: David O'Toole (MWR)
Imad D. Abyad (OGC)

Alleged Conduct: Deceptive practices in violation of Section 5 and the Telemarketing Sales Rule in connection with the telemarketing of foreign lottery tickets and sweepstakes.

Status: Complaint filed 9/30/02.
TRO entered 10/1/02.
Stipulated preliminary injunctions entered 11/26/02.
Commission's motion to strike defendants' jury demand and affirmative defenses filed 4/7/03; granted 6/26/03.
Commission's motion for partial summary judgment filed 8/19/03.
Stipulation of dismissal concerning defendant Paul Teskey entered 11/12/03.
Stipulation of dismissal concerning defendant Jean-Paul Teskey entered 11/12/03.
Order granting Commission's motion for partial summary judgment as to liability against defendants George Yemec, Anita Rapp, and the Canadian corporate defendants entered 3/1/04.
Order for permanent injunction and other relief, including redress in the amount of \$19 million, entered 6/22/04.
Notice of appeal filed 7/8/04.
Appellants' opening brief filed 9/7/04.

CIVIL PENALTY AND ENFORCEMENT CASES*

(A) Consumer Protection

UNITED STATES v. AMERICAN VENDING VENTURES GROUP, INC., No. 02-CV-21766
(S.D. Fla.)

Parties: American Vending Ventures Group, Inc.
Jamie Hagen
Leland Balber
Peter Abrams

Assigned Attorneys: Colleen Robbins (BCP/MP)
Jeffrey Steger (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive, and other relief for violations of the Franchise Rule in connection with personal care product vending machine business ventures.

Status: Complaint for civil penalties, consumer redress, permanent injunction, and other equitable relief filed 6/12/02.
Motion by the United States for summary judgment as to liability filed 2/28/03.
Response by Peter Abrams to motion for summary judgment as to liability filed 3/14/03.
Reply by the United States in support of motion for summary judgment filed 3/21/03.
Summary judgment against Leland Balber and American Vending Ventures Group, Inc. entered 4/2/03.
Bench trial as to defendant Abrams held 4/15/03-4/16/03.
Stipulated judgment and order for permanent injunction against Jamie Hagan entered 11/18/03.

* Includes all suits in which civil penalties are sought; consumer redress, injunctions, and ancillary equitable relief may also be sought.

UNITED STATES v. AT&T CORP., No. 04-4411 (SRC) (D.N.J.)

Party: AT&T Corp.

Assigned Attorneys: Ronald G. Isaac (BCP/FP)
Sandra Farrington
Eric Imperial
Susan J. Steele (AUSA)

Alleged Conduct: Violations of the Fair Credit Reporting Act in connection with adverse action taken against telephone service customers based on consumer reports.

Status: Complaint for permanent injunction and other equitable relief and monetary civil penalties filed 9/9/04.
Consent decree including a \$365,000 civil penalty entered 9/23/04.

UNITED STATES v. BRAGLIA MARKETING GROUP, LLC, No. CV-S-04-1209-DWH-PAL
(D. Nev.)

Parties: Braglia Marketing Group, LLC
Frank Braglia
Kate Braglia

Assigned Attorneys: Michael J. Davis (BCP/MP)
Elizabeth Stein (DOJ/CIV)

Nature of Action: Violations of the Telemarketing Sales Rule in connection with telemarketing in violation of the do not call rule.

Status: Complaint for civil penalties, permanent injunction and other relief filed 8/30/04.

UNITED STATES v. CAPITAL ACQUISITIONS AND MANAGEMENT CORP., No. 04 C
50147 (N.D. Ill.)

Parties: Capital Acquisitions and Management Corp.
RM Financial Services, Inc.
Reese Waugh
Jerome Kuebler
Scott R. Franson
Mario Bianchi

Assigned Attorneys: Nadine Samter (NWR)
Monica V. Mallory (AUSA)

Alleged Conduct: Violations of the Fair Debt Collection Practices Act.

Status: Complaint for civil penalties, injunctive, and other relief filed 3/24/04.
Consent decree, requiring a civil penalty of \$300,000, entered 3/24/04.

UNITED STATES v. FAIRBANKS CAPITAL CORP., No. 04-1814 (1st Cir.); No. 03-12219
(D. Mass.)

Parties: Fairbanks Capital Corp.
Fairbanks Capital Holding Corporation
Thomas D. Basmajian
Department of Housing and Urban Development (co-plaintiff)

Assigned Attorneys: Lucy E. Morris (BCP/FP)
Eric Imperial
Allison I. Brown
Anita Johnson (AUSA)
Imad D. Abyad (OGC)

Nature of Action: Unfair and deceptive practices in violation of Section 5, the Fair Debt Collection Practices Act, the Fair Credit Reporting Act, and the Real Estate Settlement Procedures Act in connection with the provision of financial services primarily in the “subprime” market.

Status: Complaint for permanent injunction and other equitable relief and monetary civil penalties filed 11/12/03.
Stipulated final judgment and order as to Fairbanks Capital Corp. and Fairbanks Capital Holding Corp., including \$40 million in consumer redress, entered 11/25/03.
Stipulated final judgment and order as to Thomas D. Basmajian, including \$400,000 in consumer redress, entered 11/25/03.
Notice of appeal in related class action proceeding filed 6/8/04.
Appeal docketed in Commission’s case 6/30/04.
Appeal dismissed 8/25/04.

UNITED STATES v. IMPERIAL PALACE, INC., No. CV-S- 04-0963-RI-H-PAL (D. Nev.)

Parties: Imperial Palace, Inc., d/b/a Imperial Palace Casino
Imperial Palace of Mississippi, Inc.

Assigned Attorneys: Ronald G. Isaac (BCP/FP)
Eric H. Imperial
Roger W. Wenthe (AUSA)

Nature of Action: Violations of the Fair Credit Reporting Act in connection with adverse action taken against employment applicants by a hotel and casino operator.

Status: Complaint for permanent injunction and other equitable relief and monetary civil penalties filed 7/13/04.
Consent decree including a \$325,000 civil penalty entered 7/15/04.

UNITED STATES v. LASSETER, No. 03-CV-1177 (M.D. Tenn.)

Party: Robert Lasseter, d/b/a CompuChild USA, Inc.

Assigned Attorneys: Steven Toporoff (BCP/MP)
Michael L. Roden (AUSA)

Nature of Action: Violations of the Franchise Rule in connection with the sale of computer-education services franchises.

Status: Complaint for civil penalties, permanent injunction, and other equitable relief filed 12/10/03.
Defendant's motion to dismiss based on the statute of limitations filed 7/6/04; plaintiff's response in opposition filed 7/22/04.
Report and recommendation of Magistrate Judge recommending that the motion to dismiss be granted as to those claims arising under 15 U.S.C. § 57b (redress for trade regulation violations) entered 9/9/04.

UNITED STATES v. MANTRA FILMS, INC., No. CV03-9184 RSWL (MANx) (C.D. Cal.)

Parties: Mantra Films, Inc.
Joseph R. Francis

Assigned Attorneys: Edwin Rodriguez (BCP/ENF)
Amy Lloyd
Mark L. Josephs (DOJ/CIV)

Alleged Conduct: Unfair and deceptive practices in violation of Section 5, the Electronic Fund Transfer Act and Regulation E, the Unordered Merchandise Statute, and prior Commission determinations in connection with the sale of tapes and DVDs.

Status: Complaint for civil penalties, permanent injunction, and other relief filed 12/16/03.
Order staying deadlines due to tentative settlement entered 4/30/04.
Stipulated final order for permanent injunction and judgment for civil penalty and consumer redress, including a monetary judgment of \$1,089,627, entered 8/4/04.

UNITED STATES v. PLETSCHKE, No. 1:03 CV 214-T (W.D.N.C.)

Party: Kris A. Pletschke, d/b/a Raw Health

Assigned Attorneys: Adam Fine (BCP/ENF)
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of a previous Commission order in connection with the sale of foods and dietary supplements.

Status: Complaint for civil penalties, injunctive and other relief filed 8/26/03.
Defendants' motion to dismiss filed 10/28/03; United States' response filed 11/14/03; Order denying motion to dismiss entered 1/27/04.
Defendants' petition for writ of prohibition in U.S. Court of Appeals filed 2/11/04.
United States' request to enter default filed 2/25/04.
Default entered 3/1/04.
Defendant's petition for writ of prohibition to the U.S. Court of Appeals denied 5/5/04.
Default judgment and order for permanent injunction entered 9/8/04.

UNITED STATES v. PROCHNOW, No. 1 02-CV-917 (N.D. Ga.)

Parties: Richard L. Prochnow
Dennis H. Goughion
Ronald Altbach
Media Outsourcing, Inc.
Cross Media Marketing Corporation

Assigned Attorneys: James Prunty (BCP/ENF)
James Reilly Dolan
Elizabeth Stein (DOJ/CIV)

Nature of Action: Action for civil penalties, injunctive and other relief for violations of Section 5, the Telemarketing Sales Rule, and a prior FTC cease and desist order.

Status: Complaint filed 4/9/02.
Stipulated final order for permanent injunction and civil penalties as to defendants Media Outsourcing, Inc., Cross Media Marketing Corp., and Dennis H. Goughion, including payment of \$350,000 in civil penalties, entered 6/9/03.
Complaint as to defendant Ronald Altbach dismissed by stipulation of all parties 6/30/03.

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

Party: QVC, Inc.

Assigned Attorneys: Louise R. Jung (BCP/ENF)
Melissa Hart

Nature of Action: 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 for civil penalties, injunctive and other relief 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.

UNITED STATES v. SPRINT CORPORATION, No. 4:04 cv 361 RH/WCS (N.D. Fla.)

Parties: Sprint Corporation
Sprint Communications Company, L.P.
Carolina Telephone and Telegraph Company
Central Telephone Company
Central Telephone Company of Texas
Central Telephone Company of Virginia
Sprint Minnesota, Inc.
Sprint Missouri, Inc.
Sprint-Florida, Incorporated
The United Telephone Company of Pennsylvania
United Telephone Company of Eastern Kansas
United Telephone Company of Indiana, Inc.
United Telephone Company Kansas
United Telephone Company of New Jersey, Inc.
United Telephone Company of Ohio
United Telephone Company of Southcentral Kansas
United Telephone Company of Texas, Inc.
United Telephone Company of the Carolinas
United Telephone Company of the Northwest
United Telephone Company of the West
United Telephone-Southeast, Inc.

Assigned Attorneys: Ronald G. Isaac (BCP/FP)
Sandra Farrington
Eric Imperial
E. Brian Wilson (AUSA)

Alleged Conduct: Violations of the Fair Credit Reporting Act and the Equal Credit Opportunity Act in connection with adverse action taken against applicants for telephone service based on consumer reports.

Status: Complaint for permanent injunction and other equitable relief and monetary civil penalties filed 9/9/04.
Consent decree including a \$1.125 million civil penalty entered 9/10/04.

UNITED STATES v. TACTICA INTERNATIONAL, INC., No. 04 CV 3038 (S.D.N.Y.)

Party: Tactica International, Inc., d/b/a IGIA and IGIA.com

Assigned Attorneys: Joel N. Brewer (BCP/ENF)
Lara K. Eshkenazi (AUSA)

Nature of Action: Action for civil penalties, injunctive, and other relief for violations of the Mail or Telephone Order Merchandise Rule in connection with the sale of health and personal grooming items.

Status: Complaint for civil penalties, injunctive, and other equitable relief filed 4/21/04.
Consent decree, including a civil penalty in the amount of \$300,000, entered 5/24/04.

(B) Competition
(None pending)

SUBPOENA AND CID ENFORCEMENT PROCEEDINGS*
(None pending)

* Includes suits to enforce compliance with waiting periods prescribed by Section 7A of the Clayton Act, 15 U.S.C. § 18a.

SUITS TO ENJOIN FTC ACTION AND OTHER DEFENSIVE LITIGATION

AMERICAN BAR ASSOCIATION v. FTC, No. 04-5257 (D.C. Cir.); No. 02-1883 (RBW)
(D.D.C.)

Party: American Bar Association

Assigned Attorneys: Michael D. Bergman (OGC)
Brian Sonfield (AUSA)
Stephanie Marcus (DOJ/CIV)

Nature of Acton: Action for declaratory relief challenging the Commission's refusal to grant an exception to certain members of the Bar from the privacy provisions set forth in Title V of the Gramm-Leach-Bliley Act.

Status: Complaint filed 9/25/02.
Commission's motion to dismiss filed 12/9/02.
Plaintiff's opposition to motion to dismiss filed 1/10/03.
Amicus brief of state bar associations filed 1/28/03.
Amicus brief of Conference of Chief Justices (CCJ) filed 2/21/03.
Commission's reply in support of motion to dismiss filed 2/25/03.
Commission's response to CCJ amicus brief filed 3/4/03.
Hearing on motion to dismiss held 6/2/03.
Memorandum opinion and order denying Commission's motion to dismiss filed 8/11/03.
Plaintiff's motion for summary judgment filed 9/26/03.
Commission's cross-motion for summary judgment filed 10/24/03.
Plaintiff's opposition/reply brief in support of motion for summary judgment filed 11/18/03.
Commission's reply brief in support of cross-motion for summary judgment filed 12/9/03.
Order granting plaintiff's motion for summary judgment and denying Commission's cross-motion entered 4/30/04.
Judgment granting motion for declaratory judgment entered 5/12/04.
Notice of appeal filed 7/9/04.

LOCKS LAW FIRM, PLLC v. FTC, ET AL., No. 04 cv 3791 (MBM) (S.D.N.Y.)

Party: Locks Law Firm, PLLC

Assigned Attorneys: Marilyn E. Kerst (OGC)
Sarah E. Light (AUSA)

Nature of Action: Action under the Freedom of Information Act.

Status: Complaint filed 5/19/04.
Commission's motion for summary judgment filed 9/14/04.

MAINSTREAM MARKETING SERVICES, INC., et al. v. FTC, No. 04-1552 (S. Ct.); No. 03-1429 (10th Cir.); No. 03-N-184 (D. Colo.)

Parties: Mainstream Marketing Services, Inc. (plaintiff)
TMG Marketing, Inc. (plaintiff)
American Teleservices Association (plaintiff)
Timothy Muris (defendant)
Sheila Anthony (defendant)
Mozelle Thompson (defendant)
Orson Swindle (defendant)
Thomas Leary (defendant)
J. Howard Beals (defendant)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Suit challenging the amendments to the Telemarketing Sales Rule.

Status: Complaint filed 1/29/03.
Plaintiff's motion for summary judgment filed 5/2/03.
Commission's opposition to plaintiff's motion for summary judgment and cross-motion for summary judgment filed 5/30/03.
Plaintiff's reply in support of their motion for summary judgment and opposition to Commission's cross-motion for summary judgment filed 6/18/03.
Commission's reply in support of their cross-motion for summary judgment filed 7/2/03.
Plaintiffs' and Commission's supplementary motions for summary judgment filed 8/21/03.
Order holding the do-not-call rule unconstitutional; upholding prohibition on abandoned calls entered 9/25/03.
Commission's notice of appeal filed 9/26/03.
Commission's emergency motion for stay pending appeal filed 9/26/03; plaintiffs' opposition filed 9/29/03; district court order denying stay entered 9/29/03.
Commission's motion before the court of appeals for a stay pending of the district court's order filed 9/30/03; plaintiff's 10/1/03; granted 10/7/03.
Brief amicus curiae by 45 states, D.C., and Puerto Rico in support of the Commission's motion for a stay filed 9/30/03.
Plaintiffs' opposition to stay filed 10/1/03.
Commission's reply in support of a stay filed 10/1/03.
Orders requiring the parties to submit position regarding consolidation of case with *U.S. Security* appeal and FCC petition entered 10/1/03.
Orders from the Court of Appeals, consolidating this case with *US Security v. FTC* and with two FCC cases (*Mainstream Marketing v. FCC*, *Competitive Telecommunications Ass'n v. FCC*) entered

appeal
opposition filed

10/7/03 and 10/8/03.

Consolidated opening brief of appellant Federal Trade Commission, respondent Federal Communications Commission, and respondent-intervenor United States of America filed 10/17/03.

Consolidated response brief of appellees filed 10/31/03.

Consolidated reply brief of appellants, and respondent-intervenor filed 11/7/03.

Oral argument held 11/10/03.

Surreply by Mainstream Marketing filed 11/14/03.

Opinion of the Court of Appeals reversing the judgments of the district courts and denying the telemarketers' petitions for review entered 2/17/04.

Mainstream Marketing's petition for a writ of certiorari filed 5/14/04.

Commission's response filed 7/19/04.

Mainstream Marketing's reply filed 7/28/04.

NATIONAL FEDERATION OF THE BLIND v. FTC, No. 04-1378 (4th Cir.); No. JFM 03 CV 963 (D. Md.)

Parties: National Federation of the Blind
Special Olympics of Maryland, Inc.

Assigned Attorney: Michael D. Bergman

Nature of Action: Suit challenging amendments to the Telemarketing Sales Rule.

Status: Complaint filed 4/2/03.
Commission's answer filed 6/16/03.
Plaintiff's motion for summary judgment filed 9/29/03.
Commission's cross-motion for summary judgment and opposition to plaintiff's motion for summary judgment filed 11/24/03.
Plaintiff's response/reply brief in support of motion for summary judgment filed 12/15/03.
Commission's reply brief in support of cross-motion for summary judgment filed 1/5/04.
Hearing on parties' cross-motions for summary judgment held 2/19/04.
Memorandum and order granting Commission's motion for summary judgment and denying plaintiffs' motion for summary judgment entered 2/24/04.
Notice of appeal filed 3/22/04.
Appellants' brief filed 5/25/04.
Commission's appellee brief filed 7/19/04.
Appellants' reply brief filed 8/17/04.
Corrected joint appendix filed 8/31/04.
Oral argument scheduled for 12/1/04.

NEW YORK STATE BAR ASSOCIATION v. FTC, No. 04-5258 (D.C. Cir.); No. 02-810
(RBW) (D.D.C.)

Party: New York State Bar Association (plaintiff)

Assigned Attorneys: Michael D. Bergman (OGC)
Brian J. Sonfield (AUSA)
Stephanie Marcus (DOJ/CIV)

Nature of Action: Action for declaratory judgment challenging the Commission's refusal to grant an exception to lawyers from the privacy requirements of the Gramm-Leach-Bliley Act and implementing regulations.

Status: Complaint filed 4/29/02.
Commission's motion to dismiss filed 7/1/02.
Plaintiff's opposition to motion to dismiss filed 9/16/02.
Amici brief in support of plaintiff's opposition filed 9/30/02.
Commission's response to amici brief filed 10/2/02.
Commission's reply in support of motion to dismiss filed 11/18/02.
Plaintiff's surreply filed 11/27/02.
Commission's response to plaintiff's surreply filed 12/11/02.
Hearing on motion to dismiss held 6/2/03.
Memorandum opinion and order denying Commission's motion to dismiss filed 8/11/03.
Plaintiff's motion for summary judgment filed 9/26/03.
Commission's cross-motion for summary judgment filed 10/24/03.
Plaintiff's opposition/reply brief in support of motion for summary judgment filed 11/18/03.
Commission's reply brief in support of cross-motion for summary judgment filed 12/9/03.
Order granting plaintiff's motion for summary judgment and denying Commission's cross-motion entered 4/30/04.
Judgment granting motion for declaratory judgment entered 5/12/04.
Notice of appeal filed 7/9/04.

SCHAEFER v. FTC, No. 1:03-cv-00418-DFH-WTL (S.D. Ind.)

Parties: Richard T. Schaefer
Joyce E. Schaefer
Vintage Collectibles, Inc.

Assigned Attorneys: John A. Singer (OGC)
Jill E. Zengler (AUSA)

Nature of Action: Complaint for damages claiming that the Commission improperly seized and failed to return plaintiffs' personal property.

Status: Complaint filed 3/24/03.
Commission's motion to dismiss for lack of jurisdiction filed 12/31/03;
response in opposition filed 3/1/04; reply filed 4/5/04.
Commission's supplemental motion to dismiss filed 9/22/04; response in
opposition filed 9/27/04.
Order granting the Commission's motion to dismiss with respect to all
claims for damages, denying the Commission's motion to dismiss
to the extent that plaintiffs seek the return of their property, entered
9/30/04.

AMICUS CURIAE BRIEFS or PARTIAL INTERVENTIONS

3M COMPANY v. LEPAGE'S INCORPORATED, No. 02-1865 (S. Ct.)

Assigned Attorneys: John F. Daly (OGC)
Catherine G. O'Sullivan (DOJ/ATR)
David Seidman

Nature of Action: Petition for certiorari from the Third Circuit's en banc decision upholding a jury verdict of monopolization, based on a bundled rebate program.

Status: Brief for the United States as amicus curiae, urging the court to deny certiorari, filed 5/28/04.
Writ of certiorari denied 6/30/04.

AMERICAN BANKERS ASSOCIATION v. LOCKYER, No. 04-16334 (9th Cir.)

Assigned Attorneys: John F. Daly (OGC)
Peggy Twohig (BCP/FP)

Nature of Action: Private action involving the Fair Credit Reporting Act and consumer privacy, in which the district court upheld a California statute seeking to restrict the sharing of consumer information among corporate affiliates.

Status: Amicus curiae brief of the Office of Thrift Supervision, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, the National Credit Union Administration and the Federal Trade Commission in support of appellants American Bankers Association, et al. filed 8/12/04.
Oral argument scheduled for 12/6/04.

ANDRX PHARMACEUTICALS, INC., v. KROGER COMPANY, No. 03-779 (S. Ct.)

Assigned Attorney: Imad D. Abyad (OGC)

Nature of Action: Petition for certiorari filed regarding private patent litigation and the legal standards applicable to "delay payment" patent litigation settlements in the Hatch-Waxman context.

Status: Brief for the United States as amicus curiae, urging the court to deny certiorari, filed 7/9/04.

ASHBY v. FARMERS GROUP, INC., No. 04-35394 (9th Cir.)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Private action involving the Fair Credit Reporting Act and the sale of insurance, in which district court ruled that the offering of less favorable initial terms did not constitute “adverse action.”

Status: Brief of the Federal Trade Commission as amicus curiae supporting appellants and urging reversal filed 9/7/04.

BRENTWOOD ACADEMY v. TENNESSEE SECONDARY SCHOOL ATHLETIC ASSOCIATION, Nos. 03-5245, 03-5278 (6th Cir.)

Assigned Attorney: Michele Arington (OGC)

Nature of Action: Private action against a state interscholastic athletic association alleging constitutional and antitrust violations.

Status: Brief of Commission as amicus curiae urging reversal of district court ruling that the association is exempt from the federal antitrust laws under the state action doctrine filed 11/13/03.

CASS v. AMERIDEBT, INC., No. 01 Ch 20350 (Cook County Cir., Ill.)

Parties: Michael Cass (plaintiff)
Derek Huggins
Ameridebt Inc. (defendant)
DebtWorks, Inc.
Infinity Resources Group, Inc.
Debticated Consumer Counseling, Inc.
The Ballenger Group, LLC
Ballenger Holdings, LLC
Andris Pukke
Eriks Pukke

Assigned Attorneys: Lucy E. Morris (BCP/FP)
Allison I. Brown
Maiysha R. Branch
James Silver
David O'Toole (MWR)

Nature of Action: Class action settlement in connection with the offering of debt negotiation services.

Status: Federal Trade Commission's emergency petition to intervene filed 4/13/04.
Intervenor Federal Trade Commission's motion for stay and reconsideration of order preliminary approving stipulation of settlement and release and class notice filed 4/13/04.
Order staying notice of settlement mailings and setting briefing schedule on petitions to intervene entered 4/13/04.
Order granting petition to intervene and setting briefing schedule on motions for reconsideration entered 5/11/04.
Plaintiffs' response to intervenor's motions for reconsideration of the court's preliminary approval order filed 6/15/04.
Defendants' joint response to the objections of various intervenors and amicus filers filed 6/15/04.
Intervenor FTC's reply in support of its motion for reconsideration filed 7/15/04.
Notice of withdrawal of the request for approval of the class action settlement filed 7/26/04.

CLEVELAND BAR ASSOCIATION v. COMPMANAGEMENT, INC., No. 04-0817 (S. Ct. Ohio)

Assigned Attorneys: John F. Daly (OGC)
Maureen Ohlhausen (OPP)

Nature of Action: Private action regarding whether non-lawyers who participate in the workers' compensation process before the Industrial Commission of Ohio are engaged in the unauthorized practice of law.

Status: Brief of the Federal Trade Commission as amicus curiae supporting neither party filed 8/3/04.
Cleveland Bar Association's motion to strike Commission's amicus curiae brief filed 8/10/04; Commission's response in opposition filed 8/13/04; Order denying motion to strike entered 9/29/04.

COLE v. U.S. CAPITAL, INC., et al, No. 03-3331 (7th Cir.)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Appeal from district court dismissal of a complaint by a consumer alleging that a car dealership improperly obtained her consumer report, for failure to state a claim under the Fair Credit Reporting Act.

Status: Brief of Federal Trade Commission as amicus curiae in support of plaintiff, urging reversal, filed 4/15/04.

EMPAGRAN S.A., ET AL. v. F. HOFFMANN-LAROCHE, LTD., No. 03-724 (S. Ct.);
No. 01-7115 (D.C. Cir.)

Assigned Attorney: John F. Daly (OGC)
Catherine G. O'Sullivan (DOJ/ATR)

Nature of Action: Private antitrust action, raising issues regarding the reach of the Sherman Act to foreign transactions that do not themselves have an effect on the U.S. commerce.

Status: Brief for the United States and the Federal Trade Commission as amici curiae in support of petition for rehearing en banc filed 3/24/03.
Petition for rehearing en banc denied 9/11/03.
Petition for certiorari filed 11/13/03.
Certiorari granted 12/15/03.
Oral argument held 4/26/04.
Supreme Court ruling reversing the court of appeals issued 6/14/04.
Court of appeals' order for supplemental briefing on reversed question issued 6/21/04.
Brief for the United States and the Federal Trade Commission as amici curiae in support of defendants-appellees, on remand to the court of appeals, filed 9/9/04.

JACKSON, TENNESSEE HOSPITAL COMPANY, LLC v. WEST TENNESSEE HEALTHCARE, INC., No. 04-5387 (6th Cir.)

Assigned Attorney: John F. Daly (OGC)
Catherine G. O'Sullivan (DOJ/ATR)
David Seidman

Nature of Action: Appeal of a district court's dismissal of private antitrust claims on state action grounds.

Status: Brief for the United States and the Federal Trade Commission as amici curiae urging reversal filed 6/1/04.

McMAHON v. ADVANCED TITLE SERVICES COMPANY OF WEST VIRGINIA,
No. 032853 (S. Ct. W. Va.)

Assigned Attorneys: Maureen K. Ohlhausen (OPP)
Stephen M. Horn (AUSA)

Nature of Action: Private action regarding whether non-lawyers who perform real estate settlement functions are engaged in the unauthorized practice of law.

Status: Amicus brief of the Federal Trade Commission urging reversal of a lower court decision that upheld an advisory opinion of the State Bar of West Virginia Committee on the Unauthorized Practice of Law filed 5/25/04.

PHILLIPS v. AWH CORP., Nos. 03-1268, 03-1286 (Fed. Cir.)

Assigned Attorneys: Suzanne T. Michel (BC)
John F. Daly (OGC)

Nature of Action: Private patent infringement action regarding whether dictionaries should serve as the primary source for claim interpretation.

Status: Brief for the United States as amicus curiae, urging the Court of Appeals for the Federal Circuit to adopt a methodology for interpreting patent claims that gives primary consideration to the patent's specification, rather than to dictionary definitions, filed 9/20/04.

RAUSCH v. THE HARTFORD FINANCIAL SERVICES GROUP, INC., No. 03-35695 (9th Cir.)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Private action involving the Fair Credit Reporting Act and the sale of insurance, in which district court ruled that the offering of less favorable initial terms did not constitute "adverse action."

Status: Brief of the Federal Trade Commission as amicus curiae supporting appellants and urging reversal filed 1/22/04.

SPANNO v. SAFECO INSURANCE COMPANY OF AMERICA, No. 04-35313 (9th Cir.)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Private action involving the Fair Credit Reporting Act and the sale of insurance, in which district court ruled that the offering of less favorable initial terms did not constitute “adverse action.”

Status: Brief of the Federal Trade Commission as amicus curiae supporting appellants and urging reversal filed 8/5/04.

TEVA PHARMACEUTICALS USA, INC., v. PFIZER, INC., No. 04-1186 (Fed. Cir.)

Assigned Attorneys: Lore Unt (BC)
Lawrence DeMille-Wagman (OGC)

Nature of Action: A private pharmaceutical patent action seeking declaratory judgment of patent invalidity or non-infringement.

Status: Brief of Federal Trade Commission as amicus curiae in support of petitioner Teva Pharmaceuticals and urging reversal of dismissal for lack of jurisdiction filed 3/31/04.
Oral argument scheduled for 10/7/04.

WILLES v. STATE FARM FIRE & CASUALTY COMPANY, No. 03-35848 (9th Cir.)

Assigned Attorney: Lawrence DeMille-Wagman (OGC)

Nature of Action: Private action involving the Fair Credit Reporting Act and the sale of insurance, in which district court ruled that the offering of less favorable initial terms did not constitute “adverse action.”

Status: Brief of the Federal Trade Commission as amicus curiae supporting appellant and urging reversal filed 2/19/04.