

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
Case No. _____ -Civ-(_____)

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CALL CENTER EXPRESS CORPORATION,
a corporation,

EDGAR ALIRIO GONZALEZ and
PABLO JOSE MARTINEZ,

04-22289

CIV-MARTINEZ

/KLEIN

FILED by D.C.

alleges:

1. The FTC brings this action under Sections 13(b) and 10 of the Federal Trade

Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer

Fraud and Abuse Prevention Act ("Telemarketing Act"), 15 U.S.C. §§ 6101-6108, to secure preliminary and permanent injunctions, rescission of contracts and restitution, disgorgement and other equitable relief against Defendants for engaging in deceptive acts or practices in violation

of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a) and for engaging in deceptive tel

acts or practices in violation of

5. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), authorizes the FTC to initiate federal district court proceedings, in its own name by its decision, to

redress and disgorgement, as may be appropriate in each case. 15 U.S.C. §§ 53(b), 57h and

6105(b).

DEFENDANTS

6. Since at least June 2003, Defendants have advertised, marketed, and sold primarily to Spanish-speaking consumers, advance fee credit cards that are sold to consumers

9 Defendant

co-owner of CCE. Since at least June 2003, acting alone or in concert with others, Martinez has formulated, directed, controlled, participated in, assisted, or facilitated the acts and practices of CCE, including the acts and practices set forth in this complaint. Martinez transacts or has transacted business within the Southern District of Florida, and should in the interest of justice be

a defendant in this action pursuant to the

Advertising including the notes and

COMMERCE

16. At all times material to this complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' BUSINESS PRACTICES

17. At all times material to this complaint, Defendants have advertised, telemarketed, promoted and sold advance fee credit cards to consumers throughout the United States, specifically targeting recent Hispanic immigrants and Hispanic consumers who have bad credit

advertisements in Spanish to promote their advance fee credit cards. Defendants' advertisements

need a social security number or bank account, and even if they have bad credit, no credit, or bankruptcies they will still be approved for the cards. Additionally, Defendants' television advertisements promise consumers immediate approval without a review of their credit histories.

Defendants:

Bienvenidos al noticiero hispano. Hoy hablaremos el problema principal de la comunidad hispana en los Estados Unidos - el credito. . . . Cansado de aplicar y aplicar

Defendants' cards can be used to make purchases at a wide variety of merchants and retail outlets. In some instances, Defendants

will be able to use the cards at automatic teller machines ("ATMs") to withdraw money from their approved lines of credit.

22. Shortly after consumers provide the requested information, Defendants tell them that they are approved for a credit limit of at least \$2000.

credit card will be delivered, within seven to ten days, by either a Federal Express ("FedEx") or

United Parcel Service ("UPS")

promised in Defendants' advertisements. [REDACTED]

order the cards, Defendants' telemarketers [REDACTED]

variety [REDACTED] of merchant and retail locations. [REDACTED]

VIOLATIONS OF SECTION 5 OF THE FTC ACT

30. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive acts
or

practices in or affecting commerce.

31. Misrepresentations or omissions of material fact constitute deceptive acts or

practices prohibited by Section 5(a) of the FTC Act.

COUNT ONE

32. In numerous instances, in connection with

cards, Defendants have represented, expressly or by implication that after paying Def

fee, consumers are guaranteed to receive an unsecured money order

became effective March 31, 2003.

36. On or after December 31, 1995, except for certain specified types of transactions,

the TSR exempted from the

18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), violations of the TSR constitute unfair or deceptive acts or practices in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

41. Defendants are "sellers" or "telemarketers" engaged in "telemarketing," as those terms are defined in the TSR. 16 C.F.R. §§ 310.2(z), (bb) and (cc).

COUNT TWO

42. In numerous instances, in connection with the telemarketing of advance fee credit

cards, Defendants have represented, directly or by implication, that after paying Defendants a fee, consumers are guaranteed to receive an unsecured major credit card, such as a VISA or MasterCard credit card.

43. In truth and in fact, after paying defendants a fee, consumers do not receive an unsecured major credit card.

44. Defendants have thereby violated Section 310.3(a)(2)(iii) of the TSR, 16 C.F.R. § 310.3(a)(2)(iii).

COUNT THREE

COUNT FOUR

47. In numerous instances, in connection with the telemarketing of advance fee credit cards, Defendants have represented, directly or indirectly, that

fee paid if a consumer seeks a refund within 30 days of receipt of Defendants' package.

48. In truth and in fact, Defendants do not refund the fee paid to consumers

redress injury to consumers or other persons resulting from Defendants' violations of the act

including the rescission and reformation of contracts

53. This Court, in the exercise of its equitable jurisdiction, enjoin

4. Award Plaintiff the costs of bringing this action, as well as such other and additional

relief as the Court may determine to be just and proper.

DATED: September 14, 2004

Respectfully submitted,

WILLIAM E. KOVACIC

General Counsel

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