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IN THE UNITED STATES DISTRICT COURT b<-&J

FOR THE NORTHERN DISTRICT OF ILLINOIS ;. - EASTERN DIVISION /i,<- - f

)
FEDERAL TRADE COMMISSION,))

relief, restitution, rescission or reformation of contracts, disgorgement, and other equitable relief for Defendants' deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. 5 45 (a).

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction pursuant to 15 U.S.C. $5 45(a) and
53(b), and 28 U.S.C. $5 l331,1337(a), and 1345.

3. Venue in the United States District Court for the Northern District of Illinois is
proper under 15 U.S.C. $53(b) and 28 U.S.C. $ 1391(b), (c), and (d).
PLAINTIFF

4. Plaintiff FTC is an independent agency of the United States Government created
by statute. 15 U.S.C. @41 et seq. The Commission is charged with, inter alia, enforcement of Section 5(a) of the FTC Act, 15 U.S.C. fS 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The Commission is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act, and to secure such equitable relief, including restitution for injured consumers, as may be appropriate in each case. 15 U.S.C. $ 5 53(b).

DEFENDANTS
5. Defendant Datatech Communications, Inc. ("Datatech") is incorporated in
Delaware. Datatech transacts or has transacted business in the Northern District of Illinois.
6. Defendant 9102-3127 Quebec Inc., d/b/a I-Point Media ("I-Point"), is a Canadian
corporation with its office and principal place of business located at 1000 St. Antoine West, Suite

300, Montreal, Quebec H3C 3R7. It also does business as I-Point Media and Datatech

Communications, Inc. I-Point transacts or has transacted business in the Northern

COMMERCE
10. At all times relevant to this Amended 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. 5 44.
DEFENDANTS' BUSINESS PRACTICES

11. Since at least 2000, and continuing thereafter, Defendants have engaged in a plan, program or campaign to sell listings in their business directories via interstate telephone calls to various businesses and other organizations (hereinafter "consumers") throughout the United States.

12. Defendants market their business directory listings by making unsolicited
outbound telephone calls to American consumers. The Defendants frequently do not disclose their identity to consumers when they call. In many instances, the Defendants claim to be with the Yellow Pages or consumers7 local telephone carriers. In either case, the Defendants claim that consumers have previously purchased a directory listing from them, and that they are calling to renew the listing.
13. Sometimes, when consumers are reluctant to agree to "renew" because, for
example, they are not authorized to make purchases or they would like more time to decide, the Defendants assure these consumers that if they agree to renew and later change their minds they can always cancel without financial obligation when they receive the invoice billing them for the listing.

19. When consumers try to cancel, Defendants refuse to honor the consumers' cancellation requests. Instead, Defendants tell these consumers that they agreed to purchase a listing in Defendants' business directory. The Defendants often play the tape recording made during the initial telephone call to consumers to "prove" that they are obligated to pay. Sometimes the Defendants agree to cancel the directory listings, but only if consumers pay a cancellation fee, typically $99.00 to $149.00.
20. Similarly, Defendants refuse to honor the cancellation requests of those
consumers who, based on their initial telephone conversations with Defendants7 sales representatives, were led to believe that they had an express right to cancel their "renewal" listing without financial obligation. Defendants tell these consumers that they do not have a right to cancel.

21. When consumers refuse to pay Defendants' invoices because of the deceptive
tactics the Defendants used to obtain the "sale," the Defendants refer the consumers' accounts for collection and threaten to damage the credit

by implication, through, inter alia, telephone calls, that consumers have a preexisting business relationship with the Defendants.
25. In truth and in fact, consumers typically do not have a preexisting business
relationship with Defendants.
26. Therefore, Defendants' representations set forth in Paragraph 24 are false and
misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. 5 45(a).

COUNT I1

27. In numerous instances, in connection with the offering for sale, sale, or
distribution of business directory listings and business directories, Defendants have represented to consumers, expressly or by implication, through, inter alia, telephone calls, that consumers have a right to cancel their directory listings without financial obligation.
28. In truth and in fact, in most instances, Defendants do not allow consumers to
cancel their directory listings without financial obligation.
29. Therefore, Defendants7 representations set forth in Paragraph 27 are false and
misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. 5 45(a).

COUNT I11

30. In numerous instances, in connection with the offering for sale, sale, or
distribution of their business directories, Defendants have represented to consumers, expressly or by implication, through, inter alia, telephone calls, invoices, or letters, that consumers have agreed to purchase listings in Defendants' business directories.

3 1. In truth and in fact, consumers have not agreed to purchase listings in Defendants7
business directories.
32. Therefore, Defendants' representations set forth in Paragraph 30 are false and
misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. 5 45(a).

CONSUMER INJURY
33. Consumers throughout the United States have suffered substantial monetary loss
as a result of Defendants' unlawful acts or practices. Absent injunctive relief from this Court, Defendants are likely to continue to injure consumers and harm the public.
THIS COURT'S POWER TO GRANT RELIEF

34. Section 13(b) of the FTC Act, 15 U.S.C. 5 53(b), empowers this Court to grant
injunctive and other ancillary relief, including consumer redress, disgorgement, and restitution, to prevent and remedy any violations of any provisions of law enforced by the Commission.
35. This Court, in the exercise of its equitable jurisdiction, may award other ancillary
relief to remedy injury caused by Defendants7 law violations.
PRAYER FOR RELIEF

Wherefore, Plaintiff requests that this Court, pursuant to Section 13(b) of the FTC Act,
15 U.S.C. 53(b), and pursuant to the Court's own equitable powers:
1. Award Plaintiff such preliminary injunctive and ancillary relief as may be
necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective, final relief;

2. Permanently enjoin Defendants from violating the FTC Act, as alleged herein;
3. Award such relief as the Court finds necessary to -0.0102 TcF97 Tc 0m9redrcese