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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

United States Courts
Southern District of Texas
FILED

JUN 21 2006

Michael N. Milby, Clerk

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

Civ. No. H-06-1980

WEBSOURCE MEDIA, L.L.C.,

WEBSOURCE MEDIA, L.P.,

BIZSITEPRO, L.L.C.,

EVERSITES, L.L.C.,

TELSOURCE SOLUTIONS, INC.,

TELSOURCE INTERNATIONAL, INC.,

MARC R. SMITH,

KATHLEEN A. SMALLEY,

Plaintiff, the Federal Trade Commission (“FTC” or “Commission”), for its Complaint alleges:

1. Plaintiff brings this action under Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), to secure a permanent injunction, rescission of contracts, restitution, disgorgement of ill-gotten gains, and other equitable relief against Defendants for engaging in unfair or deceptive acts or practices in connection with the marketing and sale of Internet “website” services in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

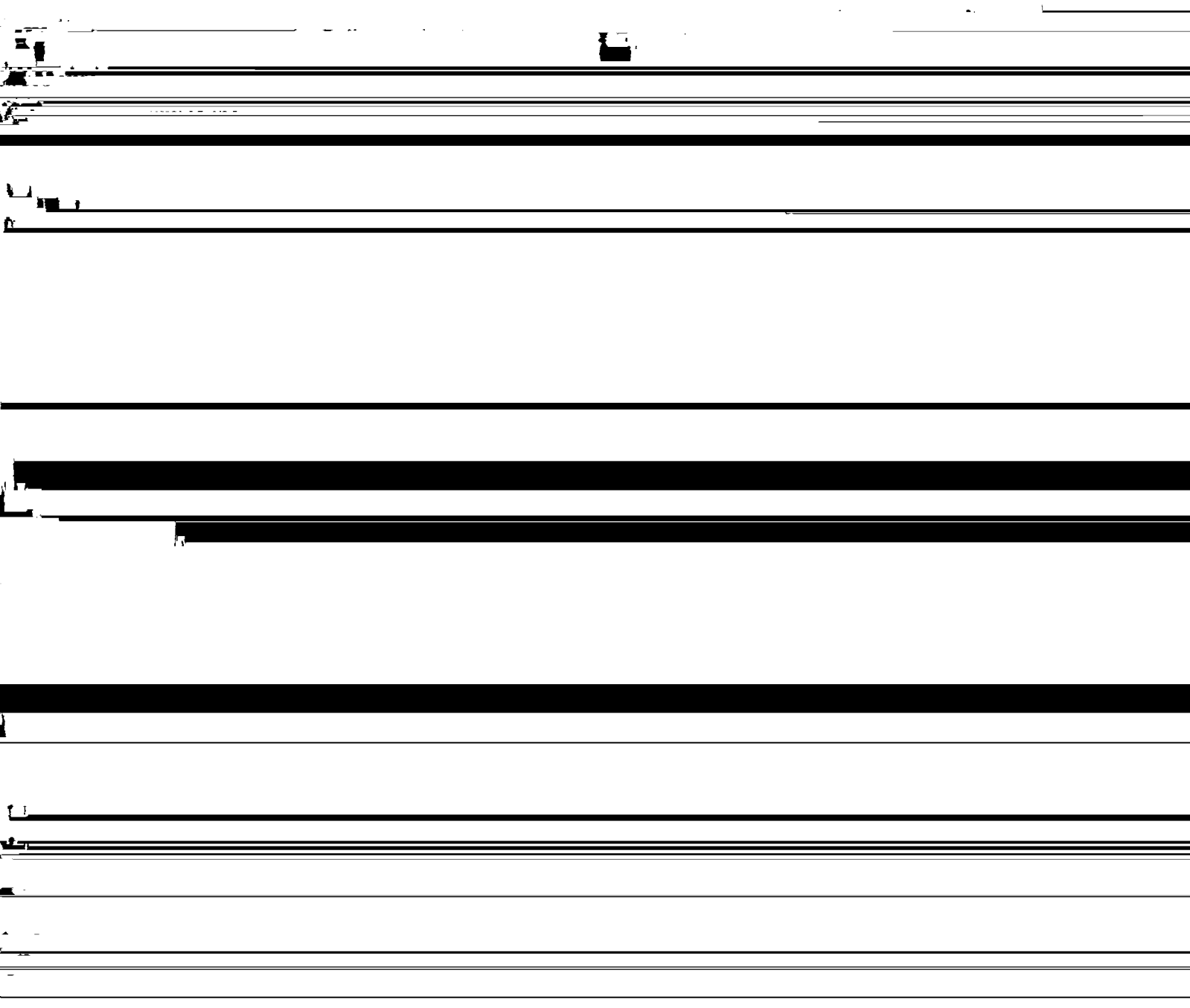
JURISDICTION AND VENUE

2. Subject matter jurisdiction is conferred upon this Court by 15 U.S.C. §§ 45(a) and 53(b), and 28 U.S.C. §§ 1331, 1337(a), and 1345.

3. Venue is proper in the Southern District of Texas under 15 U.S.C. § 53(b) and 28 U.S.C. § 1391(b) and (c).

PLAINTIFF

liability company with its offices and principal place of business located at 10375 Richmond Avenue, Suite 800, Houston Texas 77042. WebSource LLC does business under various trade



business in the Southern District of Texas.

6. WebSource Media, L.P. ("WebSource LP") is a Delaware limited partnership. Its offices and principal place of business are located at 303 Peachtree Center Avenue, Suite 500, Atlanta, Georgia 303003. It conducts business at 10375 Richmond Avenue, Suite 800, Houston, Texas 77042. On May 23, 2006, pursuant to an Agreement and Plan of Merger dated May 19, 2006. Defendant WebSource LLC was merged into Web Astro Acquisition, L.P. Web Astro

Defendant Talsource Solutions, Inc. ("TSI") is a Texas corporation with its offices

and principal place of business located at 7447 Harwin Street, Suite 246, Houston, Texas 77036.

Defendant TSI transacts or has transacted business in the Southern District of Texas.

Websource LP. At times material to this complaint, acting alone or in concert with others, he has formulated, directed, controlled, or participated in the acts and practices of Defendants WebSource LLC and WebSource LP, including the various acts and practices set forth in this complaint. Defendant Hendrick resides in and transacts or has transacted business in the Southern District of Texas.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

has transacted business in the Southern District of Texas.

17. The foregoing entities, Defendants WebSource LLC, WebSource LP, BizSitePro, Eyersites, TSI, and TII operate a common enterprise to market Internet "website" services to

[REDACTED]

send the consumer some information about a website designed by Defendants. Most consumers refuse to authorize the website. Others authorize the website, but only for the initial free trial period.

22 ~~Whether or not consumers authorize the Defendants to set up a website~~

26. Defendants' practices set forth in Paragraph 25 caused or are likely to cause substantial injury to consumers that is not reasonably avoidable by consumers and is not outweighed by countervailing benefits to consumers or competition.

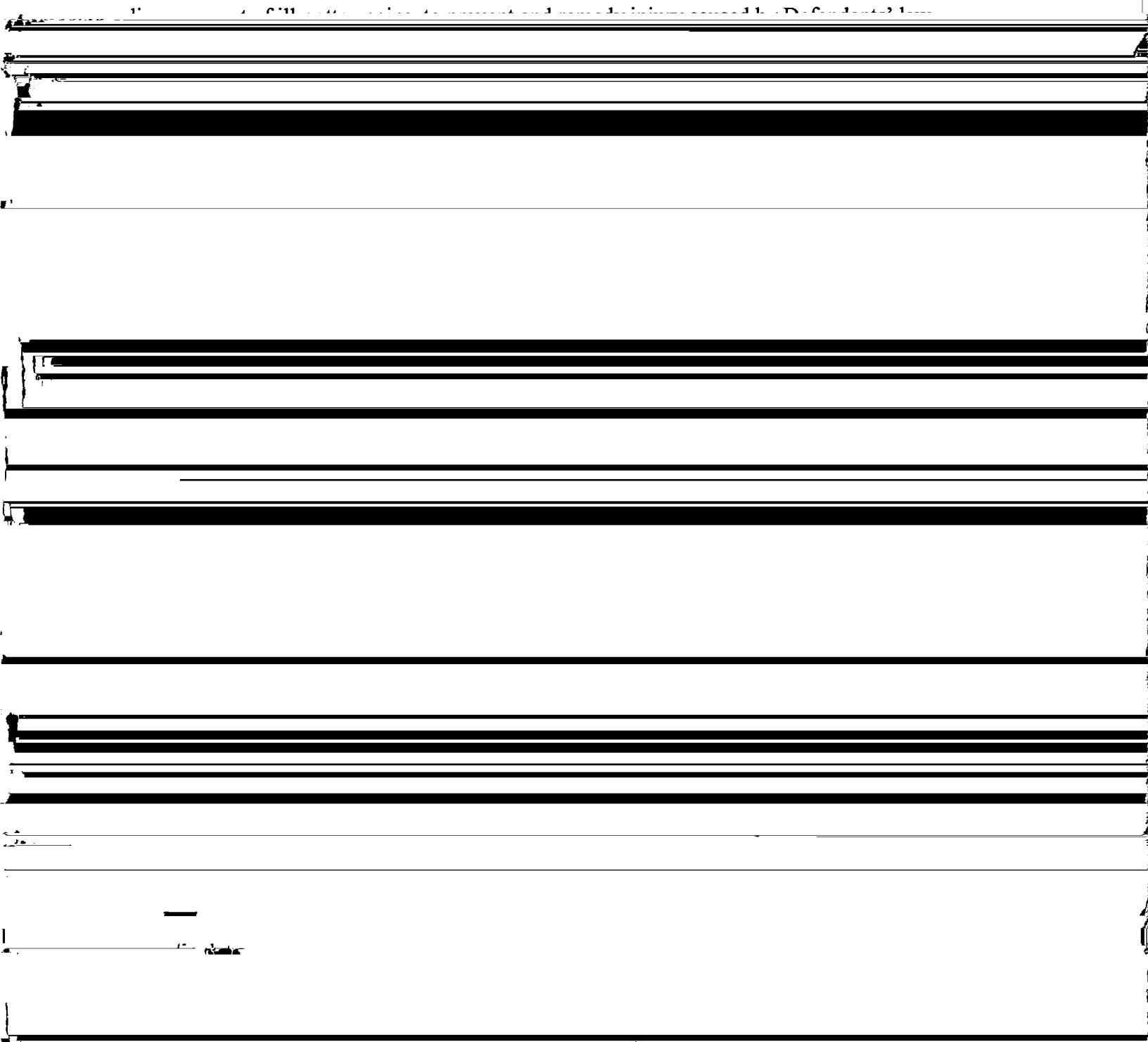
27. Defendants' practices as alleged in Paragraph 25 are unfair practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

28. In numerous instances, Defendants have represented, directly or through third-party telemarketers, expressly or by implication, that the Defendants' free trial website would be cancelled automatically if the consumer did not approve the continuation of the website.

THIS COURT'S POWER TO GRANT RELIEF

32. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers the Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of the FTC Act. The Court, in the exercise of its equitable jurisdiction, may award other ancillary relief, including, but not limited to, rescission of contracts, restitution, and the



Dated: June 21, 2006, 2006

Respectfully submitted,

~~CONFIDENTIAL~~

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Federal Trade Commission

CERTIFICATE OF SERVICE

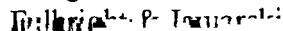
I hereby certify that Plaintiff, Federal Trade Commission, will provide a true and correct copy of the foregoing document to the attorneys for Defendants and for the Receiver by hand delivery to:

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