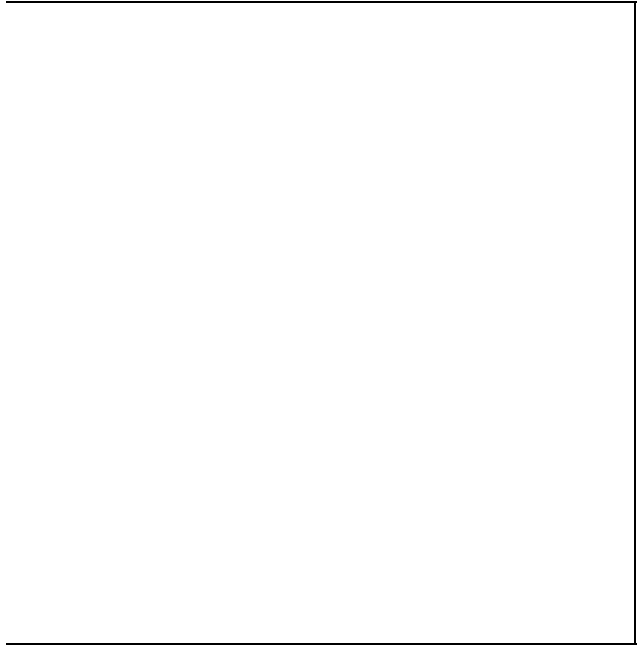


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1 Plaintiff, the Federal Trade Commission (“FTC”), for its complaint alleges:

2 1. The FTC brings this action under Sections 13(b) and 19 of the Federal Trade
3 Commission Act (“FTC Act”), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer
4 Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§ 6101-6108, to obtain
5 temporary, preliminary, and permanent injunctive relief, rescission or reformation of contracts,
6 restitution, disgorgement of ill-gotten monies, and other equitable relief for Defendants’ acts or
7 practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and in violation of the
8 FTC’s Telemarketing Sales Rule (“TSR”), 16 C.F.R. Part 310.

9 **JURISDICTION AND VENUE**

10 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a),
11 and 1345, and 15 U.S.C. §§ 45(a), 53(b), 57b, 6102(c) and 6105(b).

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1 6. **Defendant Ed Dantuma Enterprises, Inc.**, also doing business as “Publishers
2 Direct Services” and “Publishers Business Services,” is a Delaware corporation. Its principal place
3 of business is at 217 North Westmonte Drive, Altamonte Springs, Florida. Through its
4 participation in a common enterprise with Defendant Publishers Business Services, Inc., Ed
5 Dantuma Enterprises transacts or has transacted business in the District of Nevada.

6 7. **Defendant Persis Dantuma** is the sole officer and director of Publishers Business
7 Services. She is also the vice president of Ed Dantuma Enterprises. In connection with the matters
8 alleged herein, Persis Dantuma transacts or has transacted business in the District of Nevada. At
9 all times material to this complaint, acting alone or in concert with others, Persis Dantuma has
10 formulated, directed, controlled, had authority to control, or participated in the acts and practices of
11 Publishers Business Services and Ed Dantuma Enterprises, including the acts and practices set
12 forth in this complaint.

13 8. **Defendant Edward Dantuma** is the president of Ed Dantuma Enterprises. In
14 connection with the matters alleged herein, Edward Dantuma transacts or has transacted business
15 in the District of Nevada. At all times material to this complaint, acting alone or in concert with
16 others, Edward Dantuma has formulated, directed, controlled, had authority to control, or
17 participated in the acts and practices of Publishers Business Services and Ed Dantuma Enterprises,
18 including the acts and practices set forth in this complaint.

19 9. **Defendant Brenda Dantuma Schang** is a director and manager of Ed Dantuma
20 Enterprises. In connection with the matters alleged herein, Brenda Dantuma Schang transacts or
21 has transacted business in the District of Nevada. At all times material to this complaint, acting
22 alone or in concert with others, Brenda Dantuma Schang has formulated, directed, controlled, had
23 authority to control, or participated in the acts and practices of Publishers Business Services and
24 Ed Dantuma Enterprises, including the acts and practices set forth in this complaint.

25 10. **Defendant Dries Dantuma** is a director and manager of Ed Dantuma Enterprises.
26 In connection with the matters alleged herein, Dries Dantuma transacts or has transacted business
27 in the District of Nevada. At all times material to this complaint, acting alone or in concert with
28 others, Dries Dantuma has formulated, directed, controlled, had authority to control, or participated

1 in the acts and practices of Publishers Business Services and Ed Dantuma Enterprises, including
2 the acts and practices set forth in this complaint.

3 11. **Defendant Dirk Dantuma** is a director and manager of Ed Dantuma Enterprises.
4 In connection with the matters alleged herein, Dirk Dantuma transacts or has transacted business in
5 the District of Nevada. At all times material to this complaint, acting alone or in concert with
6 others, Dirk Dantuma has formulated, directed, controlled, had authority to control, or participated
7 in the acts and practices of Publishers Business Services and Ed Dantuma Enterprises, including
8 the acts and practices set forth in this complaint.

9 12. **Defendant Jeffrey Dantuma** is a director and manager of Ed Dantuma Enterprises.
10 In connection with the matters alleged herein, Jeffrey Dantuma transacts or has transacted business
11 in the District of Nevada. At all times material to this complaint, acting alone or in concert with
12 others, Jeffrey Dantuma has formulated, directed, controlled, had authority to control, or
13 participated in the acts and practices of Publishers Business Services and Ed Dantuma Enterprises,
14 including the acts and practices set forth in this complaint.

15 **COMMON ENTERPRISE**

16 13. Defendants Publishers Business Services and Ed Dantuma Enterprises (“Corporate
17 Defendants”) have operated together as a common enterprise while engaging in the acts and
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1 the offer after reviewing written information that Defendants will send after the verification call.
2 This follow-up call, which Defendants refer to as the “verification,” is recorded.

3 20. Defendants’ “verification” calls fail to cure their earlier representation that the
4 magazines are free or for a nominal price. Within a few weeks, consumers receive an invoice,
5 which typically lists several five-year magazine subscriptions and informs them that they must
6 make thirty monthly payments totaling \$720.

7 21. When a consumer calls Defendants to complain or cancel, Defendants point to the
8 verification recording as “proof” that the consumer agreed to pay hundreds of dollars for several
9 long-term magazine subscriptions pursuant to an oral contract which cannot be cancelled.
10 Defendants also routinely represent that the consumer may not cancel the subscriptions because
11 Defendants have already paid the magazine publishers for issuing these subscriptions.

12 22. In many instances, Defendants’ agreements with the magazine publishers authorize
13 them to sell subscriptions only to business locations and not to individual consumers or do not
14 authorize them to sell subscriptions for periods as long as five years. In many instances,
15 Defendants’ agreements with the magazine publishers require them to remit only a small
16 percentage or none of the magazine subscription fees that they collect from consumers.

17 23. When consumers refuse to pay or insist on their right to cancel, Defendants subject
18 them to frequent abusive and harassing phone calls at work, even after consumers ask Defendants
19 not to call them at work. Defendants threaten consumers with lawsuits, garnishments and other
20 collection actions if they do not pay for the magazine subscriptions, and at least some consumers
21 have faced adverse consequences at work because of the frequent phone calls.

22 **DEFENDANTS’ VIOLATIONS OF THE FTC ACT**

23 24. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits “unfair or deceptive acts
24 or practices in or affecting commerce.”

25 **Count One – Misrepresentation In Initial Telemarketing Calls**

26 25. In numerous instances, in connection with the telemarketing of magazine
27 subscriptions, Defendants have represented to consumers, directly or indirectly, expressly or by
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1 implication, that Defendants will send the consumers magazines as a free gift or for a specified
2 nominal cost.

3 26. In truth and in fact, in numerous instances in which Defendants have made the
4 representations above, Defendants do not send the consumers magazines as a free gift or for a
5 specified nominal cost, but rather, charge consumers hundreds of dollars for the magazines.

6 27. Therefore, Defendants' representation, as set forth in Paragraph 25 of this
7 complaint, is false or misleading and constitutes a deceptive act or practice in violation of Section
8 5(a) of the FTC Act, 15 U.S.C. § 45(a).

9 **Count Two – Misrepresentations In Subsequent Communications**

10 28. In numerous instances, in connection with the telemarketing of magazine
11 subscriptions, Defendants have represented to consumers, directly or indirectly, expressly or by
12 implication, that consumers previously entered into contracts with Defendants to purchase
13 magazine subscriptions for hundreds of dollars.

14 29. In truth and in fact, in numerous instances in which Defendants have made the
15 representation above, the consumers did not previously enter into contracts with Defendants to
16 purchase magazine subscriptions at that price.

17 30. Therefore, Defendants' representation, as set forth in Paragraph 28 of this
18 complaint, is false or misleading and constitutes a deceptive act or practice in violation of Section
19 5(a) of the FTC Act, 15 U.S.C. § 45(a).

20 **DEFENDANTS' VIOLATIONS OF THE TELEMARKETING SALES RULE**

21 31. Congress directed the FTC to prescribe rules prohibiting abusive and deceptive
22 telemarketing acts or practices pursuant to the Telemarketing Act, 15 U.S.C. §§ 6101 - 6108, in
23 1994. On August 16, 1995, the FTC adopted the Telemarketing Sales Rule (the "Original TSR"),
24 16 C.F.R. Part 310, which became effective on December 31, 1995. On January 29, 2003, the FTC
25 amended the Original TSR by issuing a Statement of Basis and Purpose and the final amended
26 Telemarketing Sales Rule (the "TSR"). 68 Fed. Reg. 4580, 4669.

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

1 33. It is an abusive telemarketing act or practice and a violation of the TSR for a
2 telemarketer in an outbound telephone call to induce the purchase of goods or services to fail to
3 disclose truthfully, promptly, and in a clear and conspicuous manner to the person receiving the
4 call, the following information, among other information: (1) the identity of the seller; (2) that the
5 purpose of the call is to sell goods or services; and (3) the nature of the goods or services.

6 16 C.F.R. § 310.4(d).

7 34. The TSR also prohibits telemarketers and sellers from misrepresenting, directly or
8 by implic.

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