IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

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| FEDERAL TRADE COMMISSION, | ) |
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invoices to businesses and municipalities throughout the United States seeking payment for print ads or listings in a number of non-existent business and travel directories, as well as for fictitious services and supplies. The scam was, for a time, surprisingly successful because the victims were deceived into paying many of the invoices, believing that the advertising, goods or services were previously authorized by someone in their organizations.

The facts submitted by the FTC also demonstrate that Petreikis was either the leader or one of the leaders of the enterprise. As a result of the criminal investigation in Canada, the evidence disclosed that Petreikis was involved in most of the activities of the scheme, and the search conducted on his residence revealed substantial evidence of his involvement, including invoices, names of potential victims, communications with and payments from those victims, and bank statements.

These facts establish beyond question that Petreikis violated § 5 of the FTC Act by making material misrepresentations likely to mislead reasonable consumers. See FTC v. Bay Area Business Council, Inc., 423 F.3d 627, 635-36 (7th Cir. 2005). In such cases as this, the FTC may seek consumer redress in the form of a monetary judgment against the individual defendant responsible for the violation in addition to injunctive relief. See FTC v. Security Rare Coin, 931 F.2d 1312, 1315 (8th Cir. 1991).

In addition, the FTC's submission establishes that Petreikis pled guilty in Ontario, Canada, to criminal charges in which he admitted participating in the conduct mentioned above and causing $2 million in damages. Those charges included defrauding U.S. citizens by "deceit, falsehood, or other fraudulent means," and "knowingly or recklessly mak(ing) a representation to

the public that is false or misleading in a material respect," in violation of Canadian criminal law.

In response to the FTC's motion for summary judgment, Petreikis has filed a lengthy pro se "reply" that consists substantially of an attack on the FTC and its counsel. Petreikis' submission is unsworn and unsupported. Although Petreikis is acting pro se from a prison cell,[1] he is still bound by the rules that require that factual assertions be made under oath or by declaration as required by Fed. R. Civ. P. 56.

Although this court reads pro se pleadings liberally and grants pro se litigants greater latitude than represented parties, they are still required to comply with the rules. See United States v. 5443 Suffield Terrace, 2008 WL 4874826, at *1 (N.D. Ill. June 17, 2008). Failure to respond properly to a statement of undisputed material facts filed pursuant to L.R. 56.1 will result in the admission of those facts. See McGee v. Monahan, 2008 WL 3849917 at *2 (N.D. Ill. Aug. 14, 2008). Thus, the FTC's statement of undisputed material facts is deemed admitted.

Even if the court were to consider the allegations contained in Petreikis' "reply," they are insufficient to defeat summary judgment, primarily because Petreikis has failed to rebut the collateral estoppel effect of his guilty plea in the Ontario court, which has been established by the FTC's summary judgment papers. Because the findings supporting Petreikis' guilty plea are identical to the issues litigated in this case, were necessary to the court's entering a finding of

[1]When the FTC initially filed its motion for summary judgment, it failed to include a "notice to pro se litigant opposing motion for summary judgment" as required by Local Rule 56.1. After receiving defendant's unsworn response, the FTC requested and the court granted a revised briefing schedule to allow Petreikis to amend his response to comply with the requirements of the local rule. Filing of the reply brief was thus delayed and Petreikis was given a chance to file an affidavit or declaration. Instead, he merely refiled his original "reply."