

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

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FEDERAL TRADE COMMISSION,)	
)	Civil Action No.:
)	
Plaintiff,)	
)	
v.)	
)	
ROUTE WIZARD, Inc.,)	
an Alabama corporation;)	
)	
LIBERTY ROUTES, Inc.,)	
an Alabama corporation;)	
)	
READY ROUTES, Inc.,)	
an Alabama corporation;)	
)	
ROUTE CRAFTERS, Inc.,)	
an Alabama corporation;)	
)	
CASH ROUTE\$, Inc.,)	
an Alabama corporation;)	
)	
NOVASTAR VENDING, Inc.,)	
an Alabama corporation;)	
)	
ALLIANCE LOCATING CO., Inc.,)	
an Alabama corporation;)	
)	
HARVEY FRANK MILNER,)	
individually and as an officer or)	
director of Route Wizard, Inc., Liberty)	
Routes, Inc., Ready Routes, Inc.,)	
RouteCrafters, Inc., and Ca\$h Route\$, Inc.,)	

RICHARD M. NORCROSS,)
 individually and as an officer or)
 director of Ready Routes, Inc., and)
 NovaStar Vending, Inc.;)
)
 RICHARD D. NORCROSS,)
 individually and as an officer or)
 director of Alliance Locating Co., Inc.,)
 Liberty Routes, Inc., Ready Routes, Inc.,)
 RouteCrafters, Inc. and NovaStar Vending,)
 Inc.)
)
 Defendants,)
 and)
)
 SASIKANT L. NORCROSS,)
)
 SUMMER L. NORCROSS, and)
)
 JANICE WOOD-MILNER,)
)
 Relief Defendants.)
 _____)

COMPLAINT FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF

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

1. The FTC brings this action under Sections 5(a), 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 45(a), 53(b) and 57b, to obtain temporary, preliminary, and permanent injunctive relief, rescission of contracts, restitution, disgorgement, and other equitable relief for the defendants’ violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FTC’s Trade Regulation Rule entitled, “Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures” (“Franchise Rule” or “Rule”), 16 C.F.R. § 436.

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 53(b) and 57b. This action arises under 15 U.S.C. § 45(a)(1).

3. Venue in the United States District Court for the Southern District of Alabama is proper under 28 U.S.C. §§ 1391(b) and (c), and 15 U.S.C. § 53(b).

THE PARTIES

4. Plaintiff, the FTC, is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The Commission is charged, *inter alia*, with enforcement of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce, and with enforcement of the Franchise Rule, 16 C.F.R. § 436. The Commission is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act in order to secure such equitable relief as may be appropriate in each case and to obtain consumer redress. 15 U.S.C. §§ 53(b) and 57b.

Corporate Defendants

5. Defendant Route Wizard, Inc. (“Route Wizard”) is incorporated in Alabama and lists an address of 1847 Robison Hill Road, Montgomery, Alabama as its principal place of business. Route Wizard promotes and sells vending machine business ventures. Route Wizard has transacted business in the Southern District of Alabama.

6. Defendant Liberty Routes, Inc. (“Liberty Routes”) is incorporated in Alabama and lists an address of 1847 Robison Hill Road, Montgomery, Alabama as its principal place of

business. Liberty Routes promotes and sells vending machine business ventures. Liberty Routes has transacted business in the Southern District of Alabama.

7. Defendant Ready Routes, Inc. (“Ready Routes”) is incorporated in Alabama and lists an address of 1847 Robison Hill Road, Montgomery, Alabama as its principal place of business. Ready Routes promotes and sells vending machine business ventures. Ready Routes has transacted business in the Southern District of Alabama.

8. Defendant RouteCrafters, Inc. (“RouteCrafters”) is incorporated in Alabama and lists an address of 1847 Robison Hill Road, Montgomery, Alabama as its principal place of business. RouteCrafters promotes and sells vending machine business ventures. RouteCrafters has transacted business in the Southern District of Alabama.

9. Defendant Ca\$h Route\$, Inc. (“Ca\$h Route\$”) is incorporated in Alabama and lists an address of 1847 Robison Hill Road, Montgomery, Alabama as its principal place of business. Ca\$h Route\$ promotes and sells vending machine business ventures. Ca\$h Route\$ has transacted business in the Southern District of Alabama.

10. Defendant NovaStar Vending, Inc. (“NovaStar Vending”) is incorporated in Alabama and its registered office address is 16 Brantwood Drive, Montgomery, Alabama. NovaStar Vending promotes and sells vending machine business ventures. NovaStar Vending has transacted business in the Southern District of Alabama.

11. Defendant Alliance Locating Co., Inc. (“Alliance Locating”) is incorporated in Alabama and has its principal place of business at 6016 Laurel Wood Court, Mobile, Alabama. Alliance Locating claims to provide locator services for purchasers of Route Wizard, Liberty

Routes, Ready Routes, RouteCrafters, Ca\$h Route\$, and NovaStar Vending. Alliance Locating has transacted business in the Southern District of Alabama.

Individual Defendants

12. Defendant Harvey Frank Milner (“Milner”) is the Chairman of the Board of Directors, President, and General Manager of Route Wizard, Liberty Routes, Ready Routes, RouteCrafters, and Ca\$h Route\$. Milner also is the registered agent and one of the incorporators for NovaStar Vending. Milner is a signatory on the corporate bank accounts of Route Wizard, Liberty Routes, Ready Routes, RouteCrafters, and Ca\$h Route\$. Acting alone or in concert with others, Milner has formulated, directed, controlled, or participated in the acts and practices of the corporate defendants, including the acts and practices set forth in this Complaint. Milner is a resident of Alabama. He has transacted business in the Southern District of Alabama.

13. Defendant Richard M. Norcross is a Vice President of Ready Routes and is a signatory on the corporate bank accounts of Route Wizard, Ready Routes, and Alliance Locating. Richard M. Norcross also is one of the incorporators and a Director of NovaStar Vending. Acting alone or in concert with others, Richard M. Norcross has formulated, directed, controlled, or participated in the acts and practices of the corporate defendants, including the acts and practices set forth in this Complaint. Richard M. Norcross is a resident of the Southern District of Alabama. He has transacted business in the Southern District of Alabama.

14. Defendant Richard D. Norcross is the President of Alliance Locating. Richard D. Norcross is a Vice President of Liberty Routes and of Ready Routes and a Director of RouteCrafters. He also is a signatory on the corporate bank accounts of Route Wizard, Liberty Routes, Ready Routes, RouteCrafters and Alliance Locating. Richard D. Norcross also is a

Director of NovaStar Vending. Acting alone or in concert with others, Richard D. Norcross has formulated, directed, controlled, or participated in the acts and practices of the corporate defendants, including the acts and practices set forth in this Complaint. Richard D. Norcross is a resident of the Southern District of Alabama. He has transacted business in the Southern District of Alabama.

15. Relief defendant Sasikant L. Norcross is the spouse of defendant Richard D. Norcross and is identified herself on bank documents as the Vice President of Ready Routes and the Secretary of Alliance Locating. She also is one of the incorporators and a Director of NovaStar Vending. Sasikant L. Norcross has received funds that can be traced directly to the corporate defendants' deceptive acts and practices, and she has no legitimate claim to those funds. Sasikant L. Norcross is a resident of the Southern District of Alabama.

16. Relief defendant Summer L. Norcross is the spouse of defendant Richard M. Norcross. She has received funds that can be traced directly to the corporate defendants' deceptive acts and practices, and she has no legitimate claim to those funds. Summer L. Norcross is a resident of the Southern District of Alabama.

17. Relief defendant Janice Wood-Milner is the spouse of defendant Milner. She has received funds that can be traced directly to the corporate defendants' deceptive acts and practices, and she has no legitimate claim to those funds. Janice Wood-Milner is a resident of Alabama.

COMMON ENTERPRISE

18. Corporate defendants Route Wizard, Liberty Routes, Ready Routes, RouteCrafters, Ca\$h Route\$, and NovaStar Vending, Inc. (collectively, the "Vending

Enterprise”), and Alliance Locating operate as a common enterprise while engaging in the deceptive acts and practices and other violations of law alleged below. Individual defendants Milner, Richard M. Norcross, and Richard D. Norcross have formulated, directed, controlled or had authority to control, or participated in the acts and practices of the corporate defendants that comprise the common enterprise.

COMMERCE

19. At all times relevant to this Complaint, the defendants have maintained a substantial course of trade in the offering for sale and sale of vending machine business ventures, in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

THE DEFENDANTS’ BUSINESS PRACTICES

20. The Vending Enterprise, Alliance Locating, and their principals, defendants Milner, Richard D. Norcross and Richard M. Norcross, have offered and sold business ventures involving candy vending machines and location services.

21. The Vending Enterprise offers and sells different types of candy vending machine business ventures in various quantities, with the cost for the ventures ranging from approximately \$7,000 to \$59,000, depending on the type and number of vending machines purchased.

22. Alliance Locating, the recommended locating company of the Vending Enterprise, allegedly provides pre-secured retail locations to place the vending machines of consumers who purchase business opportunities sold by the Vending Enterprise.

23. The defendants promotes their business ventures to prospective purchasers through classified advertisements in newspapers throughout the United States.

24. In the classified advertisements, the defendants offer the sale of vending machine business opportunities that include vending machines and retail locations for the machines. The advertisements represent that prospective purchasers of the business opportunities will earn substantial amounts of money, and urge consumers to call the defendants' toll-free telephone numbers to learn more about the business ventures. For example, the typical classified newspaper advertisements states:

Are you making \$1,710 per week?
All cash vending routes with prime locations available now!
Under \$9,000 investment required.
Call toll free (24-7) 800-276-5584

25. Defendant Liberty Routes also promotes the business venture through a Web site at www.libertyroutes.com.

26. According to Liberty Routes' Web site, its business venture offers "fast profits" and "endless" location options.

27. The Liberty Routes' Web site includes a toll-free telephone number that prospective purchasers can use to telephone the company.

28. Prospective business venture purchasers who call the toll-free telephone numbers listed in the defendants' classified advertisements or the toll-free telephone number listed on Liberty Routes' Web site are ultimately connected to the defendants' sales representatives.

29. The defendants' sales representatives tell prospective purchasers that purchasers will receive what they need to operate a successful vending machine business venture, including: (1) vending machines, (2) a recommended, professional locator service that will place their machines, and (3) support to launch the business.

30. Over the course of what is often a series of telephone calls and written communications, the defendants' sales representatives attempt to convince prospective purchasers to purchase a vending machine business venture.

31. During the initial sales pitch and subsequent telephone conversations, the defendants' sales representatives make numerous misrepresentations to prospective purchasers about the substantial income that purchasers can expect to earn by operating business ventures sold by defendants. For example, regardless of the specific business opportunity purchased, the defendants' sales representatives tell prospective purchasers that 30 or 31 sales per day is the national average and that purchasers will easily make at least 16 sales per day with each vending machine. Using the figure of 16 sales per day, the defendants' sales representatives tell prospective purchasers that with the minimum package of 25 vending machines, a purchaser can expect to earn \$3,000 per month from the machines. The defendants' sales representatives make even greater earnings claims for purchases of more vending machines.

32. The defendants' sales representatives send a packet of promotional materials to prospective purchasers shortly after the initial sales pitch. The packet contains promotional materials representing that defendants vending machine business opportunities are highly profitable. Each of the companies in the Vending Enterprise has a page in its promotional materials that includes a profit projection calculation which suggests that a prospective purchaser will earn a certain level of income per machine. For example, defendants' profit projection for the Route Wizard business opportunity is as follows:

<u>VEND PRICE</u>	<u>AVERAGE SNACK</u>	<u>PROFIT</u>
.25	.08	.17
30 VENDS PER DAY x .17 = \$5.10 PER DAY PROFIT PER MACHINE		

$$\begin{array}{r} X 6 \text{ DAYS PER WEEK} = \$30.60 \times 52 \text{ WEEKS} = \$1,591.20 \\ \$1,591.20 \text{ PER YEAR PER MACHINE} \\ \times \underline{\hspace{2cm}} \text{ NUMBER OF MACHINES} \\ \$ \underline{\hspace{2cm}} \text{ TOTAL NET INCOME} \end{array}$$

33. Another page of the defendants' promotional materials with the heading "The Reasons we are Marketing this Small Machine and our Magic Money Formula," states "there are hundreds, even thousands of locations available" and the machines are "trouble free and easy service" with "high net profit per hour of servicing."

34. A page labeled "Now Is The Time" states, "Vending is an all cash business that provides a steady, dependable income week after week, month after month."

35. The defendants' sales representatives tell prospective purchasers that in addition to earning substantial income from vending sales, purchasers can make additional money by displaying, on the top of their candy machines, applications for third-party products such as credit cards and calling cards. The defendants' sales representatives explain that a third party pays the business venture operator a fee for each credit and calling card application a consumer takes from the display rack and submits for processing.

36. In fact, the earning representations made by the defendants' sales representatives and included in defendants' promotional materials are false.

37. The defendants' sales representatives often refer prospective purchasers to people they identify as satisfied purchasers of defendants' business ventures. These allegedly satisfied purchasers typically tell consumers that they have purchased defendants' vending machine business ventures, are currently operating the business venture, and are making the amount of money that the defendants' represented they would make.

38. In fact, the references are shills who are paid by defendants to claim that they are successful operators of defendants' vending machine business ventures. The defendants' do not disclose to prospective purchasers that references are paid.

39. The defendants' sales representatives often tell prospective purchasers that defendants have numerous pre-secured retail locations in prospective purchasers' geographic areas for their vending machines.

40. The defendants' sales representatives refer prospective purchasers to defendant Alliance Locating, the recommended locator.

41. When speaking with prospective purchasers, the President of Alliance Locating, defendant Richard D. Norcross, confirms that the company has numerous pre-secured retail locations waiting for vending machines in the prospective purchasers' geographic areas.

42. In fact, the defendants have not pre-secured numerous retail locations in prospective purchasers' geographic areas for their vending machines.

43. The Franchise Rule requires sellers of franchises and business opportunities to provide a basic disclosure document containing certain specified material information, including the experience of each of the franchisor's current directors and executive officers.

44. The defendants' promotional materials include a disclosure document (the "basic disclosure document") that on its cover purports to be "Information for Prospective Business Opportunity Purchasers" as required by law.

45. The defendants' basic disclosure documents provided to prospective purchasers fail to disclose the names, employment history, and litigation history of the individual

defendants, Richard M. Norcross and Richard D. Norcross, who are actually operating the Vending Enterprise.

46. The defendants' basic disclosure documents also fail to provide prospective purchasers with a list of existing franchisees and an income statement, as required by the Franchise Rule.

47. The defendants and their sales representatives make earnings claims, but fail to provide prospective purchasers with an earnings claim document, as prescribed by the Rule.

48. The defendants and their sales representatives make generally disseminated earnings claims without disclosing, in immediate conjunction with the claims, the number and percentage of prior purchasers known by defendants to have achieved the same or better results.

49. In addition, the defendants and their sales representatives fail to disclose, in immediate conjunction with each earnings claim, and in a clear and conspicuous manner, that material which constitutes a reasonable basis for the claim is available to prospective franchisees.

50. Indeed, the defendants and their sales representatives do not have a reasonable basis for the earnings claims they make with respect to their vending machine business ventures.

51. Relief defendant Sasikant L. Norcross has received tens of thousands of dollars from the deceptive acts and practices of the defendants.

52. Relief defendant Summer L. Norcross has received tens of thousands of dollars from the deceptive acts and practices of the defendants.

53. Relief defendant Janice Wood-Milner has received tens of thousands of dollars from the deceptive acts and practices of the defendants.

VIOLATIONS OF SECTION 5 OF THE FTC ACT

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

COUNT I

Misrepresentations Regarding Income

55. In numerous instances, in the course of offering for sale and selling their vending machine business ventures, the defendants represent, directly or indirectly, expressly or by implication, that consumers who purchase their vending machine business ventures are likely to earn substantial income.

56. In truth and in fact, consumers who purchase their vending machine business ventures are not likely to earn substantial income.

57. Therefore, the defendants’ representations as set forth in Paragraph 55 are false and misleading and constitute a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

Misrepresentations Regarding Placement of Vending Machines

58. In numerous instances, in the course of offering for sale and selling the vending machine business ventures, the defendants represent, directly or indirectly, expressly or by implication, that the defendants have already secured numerous retail locations in the prospective purchasers’ geographic area for the placement of vending machines.

59. In truth and in fact, in numerous instances, defendants have not secured numerous retail locations in the prospective purchasers' geographic area for the placement of vending machines.

60. Therefore, the defendants' representations as set forth in Paragraph 58 are false and misleading and constitute a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT III

Misrepresentations Regarding Company-Selected References

61. In numerous instances, in the course of offering for sale and selling their business ventures, the defendants represent, directly or indirectly, expressly or by implication, that certain company-selected references have purchased one of defendants' business ventures or will provide reliable descriptions of experiences with defendants' business ventures.

62. In truth and in fact, in numerous instances, the defendants' references have not purchased one of defendants' business ventures or do not provide reliable descriptions of experiences with one of defendants' business ventures.

63. Therefore, the defendants' representations as set forth in Paragraph 61 are false and misleading and constitute a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

THE FRANCHISE RULE

64. The business ventures sold by the defendants are franchises, as "franchise" is defined in Sections 436.2(a)(1)(ii) and (a)(2) of the Franchise Rule, 16 C.F.R. §§ 436.2(a)(1) and (a)(2).

65. The Franchise Rule requires a franchisor to provide prospective franchisees with a complete and accurate basic disclosure document containing twenty categories of information, including information about the litigation and bankruptcy history of the franchisor and its principals, the terms and conditions under which the franchise operates, and information identifying existing franchisees. 16 C.F.R. § 436.1(a)(1)-(20). The pre-sale disclosure of this information required by the Rule enables a prospective franchisee to contact prior purchasers and take other steps to assess the potential risks involved in the purchase of the franchise.

66. The Franchise Rule additionally requires that a franchisor:

- (a) have a reasonable basis for any oral, written, or visual earnings claim it makes, 16 C.F.R. § 436.1(b)(2), (c)(2) and (e)(1);
- (b) disclose, in immediate conjunction with any earnings claim it makes, and in a clear and conspicuous manner, that material which constitutes a reasonable basis for the earnings claim is available to prospective franchisees, 16 C.F.R. § 436.1(b)(2) and (c)(2);
- (c) provide, as prescribed by the Rule, an earnings claim document containing information that constitutes a reasonable basis for any earnings claim it makes, 16 C.F.R. § 436.1(b) and (c); and
- (d) clearly and conspicuously disclose, in immediate conjunction with any generally disseminated earnings claim, additional information including the number and percentage of prior purchasers known by the franchisor to have achieved the same or better results, 16 C.F.R. § 436.1(e)(3)-(4).

67. Pursuant to Section 18(d)(3) of the FTC Act, 15 U.S.C. 57a(d)(3), and 16 C.F.R. § 436.1, violations of the Franchise Rule 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).

VIOLATIONS OF THE FRANCHISE RULE

COUNT IV

Basic Disclosure Violations

68. In connection with the offering of franchises, as “franchise” is defined in Section 436.2(a) of the Franchise Rule, the defendants violate Section 436.1(a) of the Rule and Section 5(a) of the FTC Act by failing to provide prospective franchisees with complete and accurate basic disclosure documents as prescribed by the Rule.

COUNT V

Earnings Disclosure Violations

69. In connection with the offering of franchises, as “franchise” is defined in Section 436.2(a) of the Franchise Rule, the defendants violate Sections 436.1(b)-(c) of the Rule and Section 5(a) of the FTC Act by making earnings claims to prospective franchisees while, *inter alia*: (1) lacking a reasonable basis for each claim at the times it is made; (2) failing to disclose, in immediate conjunction with each earnings claim, and in a clear and conspicuous manner, that material which constitutes a reasonable basis for the claim is available to prospective franchisees; and/or (3) failing to provide prospective franchisees with an earnings claim document, as prescribed by the Rule.

COUNT VI

Advertising Disclosure Violations

70. In connection with the offering of franchises, as “franchise” is defined in Section 436.2(a) of the Franchise Rule, the defendants violate Section 436.1(e) of the Rule and Section 5(a) of the FTC Act by making generally disseminated earnings claims without, *inter alia*, disclosing, in immediate conjunction with the claims, information required by the Franchise Rule, including the number and percentage of prior purchasers known by the defendants to have achieved the same or better results.

DISGORGEMENT OF RELIEF DEFENDANTS’ ILL-GOTTEN GAINS

COUNT VII

71. In the course of offering for sale and selling their vending machine business ventures, the defendants have committed deceptive acts or practices.

72. The relief defendants, Sasikant L. Norcross, Summer L. Norcross, and Janice Wood-Milner, have received funds or otherwise benefitted from funds which are directly traceable to funds obtained from purchasers of defendants’ fraudulent business opportunity.

73. The relief defendants will be unjustly enriched if they are not required to disgorge the funds or the value of the benefit they received as a result of the defendants’ deceptive acts or practices.

74. By reason of the foregoing, the relief defendants hold funds and assets in constructive trust for the benefit of the defendants’ purchasers.

75. The relief defendants should be required to disgorge the funds and assets, or the value of the benefit they received from those funds and assets, which are traceable to the defendants' deceptive acts or practices.

CONSUMER INJURY

76. Consumers nationwide have suffered or will suffer substantial monetary loss as a result of the defendants' violations of Section 5(a) of the FTC Act and the Franchise Rule. Absent injunctive relief by this Court, the defendants are likely to continue to injure consumers and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

77. Section 13(b) of the FTC Act, 15 U.S.C. § 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 provision of law enforced by the Commission.

78. Section 19 of the FTC Act, 15 U.S.C. § 57b, authorizes this Court to grant such relief as the Court finds necessary to redress injury to consumers or other persons resulting from the defendants' violations of the Franchise Rule, including the rescission and reformation of contracts, and the refund of money.

79. This Court, in the exercise of its equitable jurisdiction, may award ancillary relief to remedy injury caused by the defendants' law violations.

PRAYER FOR RELIEF

WHEREFORE, plaintiff Federal Trade Commission, pursuant to Sections 13(b) of the FTC Act, 15 U.S.C. § 53(b), and the Court's own equitable powers, requests that this Court:

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, including, but not limited to, a temporary restraining order and asset freeze;

2. Enter a permanent injunction to prevent future violations of the FTC Act and the Franchise Rule, as alleged herein;

3. Award such relief as the Court finds necessary to redress injury to consumers resulting from the defendants' violations of the FTC Act and the Franchise Rule, including but not limited to, rescission of contracts, restitution, refund of monies paid, and disgorgement of ill-gotten gains by the defendants;

4. Award such relief against the relief defendants that the Court deems necessary to protect and return funds and other property to which the relief defendants have no legitimate claim and that are derived from the defendants' violations of Section 5 of the FTC Act and the Franchise Rule, including an order to disgorge all proceeds that the relief defendants have received as a result of defendants' acts or practices alleged in the Complaint and an order imposing a constructive trust upon such gains or proceeds; and

5. Award plaintiff the costs of bringing this action, as well as such other and additional relief as this Court may determine to be just and proper.

Dated: November 28, 2006

Respectfully submitted,

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General Counsel

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