JUN 192008

JAMES N. HATTEN, Clerk By: Deputy Clerk

UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF GEORGIA ATLANTA DIVISION

FEDERAL TRADE COMMISSION, Plaintiff,

V.

U.S. WORK ALLIANCE, INC., a Nevada corporation, doing business as Exam Services,

TYLER FRANKLIN LONG, individually, and as owner, officer, director or manager of above-listed corporation, and

BRENDA M. LONG, individually, and as owner, officer, director or manager of above-listed corporation,

Defendants.

Case No. 0 3 3



COMPLAINT FOR INJUNCTIVE AND OTHER EQUITABLE RELIEF

Plaintiff, the Federal Trade Commission ("FTC" or "Commission"), for its complaint alleges the following:

1. The Commission brings this action under Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), to secure preliminary and permanent injunctive relief, rescission of contracts, restitution, disgorgement, and

other equitable relief for Defendants' deceptive acts or practices in connection with the selling of employment goods and services in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

JURISDICTION AND VENUE

- 2. This Court has subject matter jurisdiction over Plaintiff's claims pursuant to 28 U.S.C. §§ 1331(a), 1337(a), and 1345, and 15 U.S.C. §§ 45(a) and 53(b).
- 3. Venue in the United States District Court for the Northern District of Georgia is proper under 28 U.S.C. § 1391(b) and (c) and 15 U.S.C. § 53(b).

THE PARTIES

4. Plaintiff Federal Trade Commission is an independent agency of the United States government created by the FTC Act, 15 U.S.C. §§ 41-58. The Commission enforces 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. The Commission, through its own attorneys, may initiate federal district court proceedings to enjoin violations of the FTC Act and to secure such equitable relief, including rescission of contracts and restitution, and the disgorgement of ill-gotten

gains caused by Defendants' law violations, as may be appropriate in each case.

15 U.S.C. § 53(b).

- 5. Defendant U.S. Work Alliance, d/b/a Exam Services ("Exam Services") is a Nevada limited liability company with its principal place of business at 5515 Spalding Drive, Norcross, Georgia 30092. Defendant Exam Services transacts or has transacted business in this district.
- 6. Defendant Tyler Franklin Long is the owner, operator and Secretary of Defendant Exam Services. Individually or in concert with others, he directs, controls, formulates or participates in the acts and practices set forth herein. He resides, transacts, or has transacted business in this district.
- 7. Defendant Brenda Long is the President of Defendant Exam Services. Individually or in concert with others, she directs, controls, formulates or participates in the acts and practices set forth herein. She resides, transacts, or has transacted business in this district.

COMMERCE

8. The acts and practices of Defendants, alleged in this Complaint, are in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS' BUSINESS PRACTICES

- 9. Since at least January 2005, Defendants have conducted a nationwide advertising scheme to sell purported employment goods and services to consumers residing throughout the United States.
- 10. Defendants place classified advertisements in the employment sections of local newspapers or community publications throughout the United States. The advertisements announce that the Post Office is now hiring for postal jobs with wages averaging \$20hr or \$57K annually, with full federal benefits, vacations and paid training. The advertisements invite readers to call a toll-free number for more information. Defendants also operate three web sites that advertise the availability of postal jobs. The following are illustrative of the print and web advertisements placed by Defendants:
 - U.S. Postal Service Now Hiring. Avg. Pay \$20hr or \$57K annually including Federal Benefits & OT. Paid Training, Vacations. PT/FT 1-800-538-1859. USWA. Post Office Now Hiring Average \$20/hr or 57K annually incl. federal benefits & OT, FT/PT. 1-800-497-0229. USWA.
- 11. When consumers call the toll-free number, Defendants initially question consumers about their educational background, citizenship and

willingness to take a drug screen and then tell consumers that they "qualify for a position."

- 12. Defendants then tell consumers that positions, e.g., mail clerk and mail carriers positions, are currently available and are in the geographic area where Defendants' advertisements appear. Defendants describe to consumers a range of average hourly wages paid for these positions and state that the positions come with full federal benefits, training, paid vacations and holidays. However, in many instances, the advertised postal positions are not currently available in those geographic areas.
- 13. Defendants explain that consumers must pass a postal employment exam ("postal exam") before they can be hired. Defendants then tell consumers they will supply consumers with materials which will help them to pass the postal exam. In fact, Defendants represent that consumers who use the materials are more likely to pass the postal exam than consumers who do not. However, consumers who use Defendants' materials are not more likely to pass the postal exam than consumers who do not use them.
 - 14. Defendants also tell consumers that if they pass the postal exam, they

will be given a postal position with the United States Postal Service. However, consumers who receive a passing score are not assured employment with the Postal Service.

- \$120.00-\$140.00 to receive the materials and to take the postal exam. Defendants also tell consumers that the fee for the materials is refundable under several conditions including if consumers do not pass the postal exam, if they are not hired by the Postal Service after their interview, or, if hired, then after their first week of employment with the Postal Service.
- 16. In return for their money, consumers receive materials including a book. The book generally includes a brief history of the United States Postal Service, examination instructions and some "practice exams."
- 17. The materials received by consumers do not contain any information regarding examination dates or actual job openings that currently are available with the United States Postal Service either locally or nationally. Furthermore, Defendants have no connection with, affiliation with or endorsement by the United States Postal Service.

VIOLATIONS OF SECTION 5 OF THE FTC ACT

- 18. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits unfair or deceptive acts or practices in or affecting commerce.
- 19. Misrepresentations or omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

COUNT I

- 20. Defendants represent, expressly or by implication, that they are connected with, affiliated with or endorsed by the United States Postal Service.
- 21. In truth and in fact, Defendants are not connected with, affiliated with or endorsed by the United States Postal Service.
- 22. Therefore, the representations set forth in paragraph 20 are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

23. Defendants represent, expressly or by implication, that postal positions are currently available in the geographic areas where Defendants' advertisements appear.

- 24. In truth and in fact, in numerous instances, postal positions are not currently available in the geographic areas where Defendants' advertisements appear.
- 25. Therefore, the representations set forth in paragraph 23 are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT III

- 26. Defendants represent, expressly or by implication, that consumers who use Defendants' materials are more likely to pass the postal exam than consumers who do not use Defendants' materials.
- 27. In truth and in fact, consumers who use Defendants' materials are not more likely to pass the postal exam than consumers who do not use Defendants' materials.
- 28. Therefore, the representations set forth in paragraph 26 are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT IV

- 29. Defendants represent, expressly or by implication, that consumers who receive a passing score on the postal exam are assured employment with the United States Postal Service.
- 30. In truth and in fact, consumers who receive a passing score are not assured employment with the United States Postal Service.
- 31. Therefore, the representations set forth in paragraph 29 are false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

32. Consumers throughout the United States have suffered and continue to suffer substantial monetary loss as a result of Defendants' violations of the FTC Act as set forth above. In addition, the Defendants have been unjustly enriched as a result of their unlawful acts and practices. Absent injunctive relief by this Court, the Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

33. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this 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 and restitution, and the disgorgement of ill-gotten gains, to prevent and remedy injury caused by Defendants' law violations.

PRAYER FOR RELIEF

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

- (1) Award Plaintiff such preliminary 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, temporary and preliminary injunctions, an order freezing each Defendant's assets, immediate access, and the appointment of an equity receiver;
- (2) Enter a permanent injunction to prevent future violations of the FTC Act by Defendants;

- (3) Award such relief as the Court finds necessary to redress injury to consumers resulting from Defendants' violations of the FTC Act, including, but not limited to, rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies; and
- (4) Award Plaintiff the costs of bringing this action as well as such additional equitable relief as the Court may determine to be just and proper.

Dated: Ine 19, 2008

Respectfully submitted,

WILLIAM BLUMENTHAL General Counsel

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