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UNITED STATES DISTRICT COURT
DISTRICT OF IDAHO

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

ED BOEHLKE, an individual,

Defendant.

Civ. No.

COMPLAINT FOR INJUNCTIVE
AND OTHER RELIEF

Plaintiff, the Federal Trade Commission ("Commission"), for its complaint alleges as follows:

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 obtain preliminary and permanent injunctive relief, and rescission, restitution, disgorgement and other equitable relief to redress purchasers of defendant's work-at-home job program for the injury resulting from defendant's deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C§ 45(a).

JURISDICTION AND VENUE

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

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

THE PARTIES

6 4. Plaintiff, the Federal Trade Commission, is an independent agency of the United
7 States Government created by statute. 15 U.S.C. § 41 *et seq.* The Commission enforces Section
8 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or
9 affecting commerce. The Commission may initiate federal district court proceedings to enjoin
10 violations of the FTC Act and to secure such equitable relief as is appropriate in each case,
11 including redress and disgorgement. 15 U.S.C. § 53(b).

12 5. Defendant EdBoehlke ("Boehlke") is an individual, trading and doing business as
13 Advantage Marketing Company ("Advantage"), an unincorporated business entity with its
14 principal office and place of business located at 690 Yellowstone, Suite F, Pocatello, Idaho
15 83201. Boehlke is the sole owner of Advantage. Individually or in concert with others, he
16 formulates, directs, and controls the policies, acts and practices of Advantage, including the acts
17 and practices set forth in this complaint. He resides and transacts business in the District of
18 Idaho.

COMMERCE

19 6. At all times relevant to this complaint, defendant has maintained a substantial
20 course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act,
21 15 U.S.C. § 44.

DEFENDANTS COURSE OF CONDUCT

1 7. Since at least 1995, defendant has disseminated or caused the dissemination of
2 advertisements in the business opportunities or careers section of newspapers and other
3 publications in many states offering work-at-home job opportunities. These advertisements
4 include, but are not limited to, the following statements:

EARN \$200-\$1,000 WEEKLY!
Assembling products at home. Call
toll-free 1-(800)574-9635 ext. 150.

7 8. Consumers calling the 800 telephone number listed in the advertisement speak with
8 an Advantage sales representative who describes defendant's work-at-home job program and
9 invites consumers to enroll in the program for a one-time, lifetime fee of \$38.95. Advantage
10 guarantees that consumers who enroll in defendant's program will get jobs. Typical statements
11 made during telephone conversations between Advantage and consumers include, but are not
12 limited to, the following:

We specialize and are very successful in giving current data on
companies who are looking for home workers. Right now, we have
over 70 companies working with us that offer jobs of assembly, arts
and crafts, sales, professional services and electronics work.

Advantage: So that's -- there's no way -- they will not reject you
for any reason.

Consumer: And what do you mean there's no way they won't
reject me?

Advantage: I mean like they will not reject you for any reason at all.
You have a job for sure.

[W]hat we do is check on all the companies to make sure that they
are safe, legitimate companies for you to work for. . . . And -- I
mean, you would do that if you were out job-hunting, too. So,
we've done that. We also -- if you have any problems or any
questions at all, we do have a customer service person that handles
everything. . . . And if you have any problems with any of the
companies, she will take care of it.

The first thing that you'll be receiving is a portfolio of all of our
companies, their pay scales and the things you can assemble and
that's so you can pick out your job because there are about 85
different jobs for you to choose from and you are guaranteed any of
those jobs.

We do have a one-time lifetime enrollment fee of only \$38.95.
Now, that enrollment fee is backed with a 90-day money back
guarantee. All we ask is that you participate in the program for 60
days.

1 9. During the initial telephone conversation Advantage's sales representatives tell
2 consumers they will not have to incur any additional costs beyond the initial enrollment fee to get
3 started in a work-at-home job. Typical statements include, but are not limited to, the following:

4 You do not have to pay them [companies in program] any more
5 fees.

6 Consumer: [W]ill I have to pay any other fees for anything else?

7 Advantage: Nope. The only fee you pay is to us for the
8 enrollment.

9 Consumer: And do I have any additional costs beyond that?

10 Advantage: No. Some of the companies do require a security
11 deposit, and that's just in case if you don't send the materials back
12 to them, they are covered.

13 Consumer: Okay, so -- but I could get the security deposit back. Is
14 that right?

15 Advantage: Yes, they do reimburse that on your check.

16 10. Advantage's sales representatives provide consumers with information about
17 specific dollar amounts they can earn from the various jobs offered in Advantage's work-at-home
18 program. Typical statements include, but are not limited to, the following:

19 Some examples of the more popular home assembly jobs are
20 assembling wooden calendars for \$252 a week; making towel
21 holders for \$306 a week; and assembling electronic circuit boards
22 for \$500 a week.

23 The amount of money you make depends on what -- what you do,
24 okay? Like the electronic circuit boards would pay more than the
25 calendars, but depending on what they do, most people make
26 probably about \$250 a week. . . . But you can make up to a
27 thousand, like the electronic circuit boards are \$500 a week per
28 unit. . . . There is a hundred in the unit, and they probably only take
between five and ten minutes a piece to assemble.

Some examples of our most popular home assembly jobs are
making hair bows for \$300 a week, making beaded earrings for
\$360 a week or assembling holiday decorations for \$600 a week.
These are just a few of over 70 guaranteed home jobs.

Consumer: I'm just wondering how realistic these -- these earnings
are. Can I really earn this kind of money?

Advantage: Um-hmm. That's -- I mean, it's totally up to you how
much -- I mean, you can earn as much as you want in a week. It
depends on how much you produce.

11. Advantage's sales representatives assure consumers that defendant's job program
is backed by the company's 90-day money back guarantee. Typical statements include, but are
not limited to, the following:

1 Now, that enrollment fee is backed with a 90-day money back
2 guarantee. All that we ask is that you participate in the program for
3 60 days. If after 60 days you're not completely satisfied, all you
4 need to do is return the package along with your results for a full
5 refund of the purchase price. So, if you decide later on that this
6 isn't something for you, Mary, we will give you all your money
7 back, okay?

8 12. Contrary to defendant's representations, defendant is not offering a work-at-home
9 job program, does not guarantee consumers a job, and has no reasonable basis for the earnings
10 claims. In fact, consumers receive only a thin pamphlet listing the name and address of
11 approximately 80 companies, along with a brief description of the assembly projects each
12 company is purportedly offering. It is entirely up to consumers to contact each company they are
13 interested in for more information and, in most instances, consumers must send each company an
14 additional \$30-40 in order to receive a start-up kit. Finally, in order to get their money back from
15 defendant, consumers must satisfy several undisclosed requirements, the effect of which is to
16 discourage consumers from applying for a refund.

17 DEFENDANT'S VIOLATIONS OF THE FTC ACT

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

20 14. As alleged herein, defendant has engaged in numerous material misrepresentations
21 and deceptive failures to disclose material facts in violation of Section 5(a) of the FTC Act.

22 **COUNT ONE**

23 15. Paragraphs 1 through 12 are incorporated herein by reference.

24 16. Through the use of the statements referred to in Paragraphs 7 and 8, and others
25 not specifically set forth herein, defendant has represented, directly or by implication, that it has
26 actual job openings at the salaries listed in the classified advertisements.

27 17. In truth and in fact, defendant does not have actual job openings at the salaries
28 listed in the classified advertisements.

18. Through the use of the statements referred to in Paragraph 8, and others not
specifically set forth herein, defendant has represented, directly or by implication, that consumers

1 who pay the fee to defendant will be enrolled in a work-at-home job program through which they
2 will obtain an actual job paying \$200 or more per week.

3 19. In truth and in fact, consumers who pay the fee to defendant are not enrolled in a
4 work-at-home job program through which they will obtain an actual job paying \$200 or more per
5 week.

6 20. Through the use of the statements referred to in Paragraphs 7 and 10, and others
7 not specifically set forth herein, defendant has represented, directly or by implication, that
8 consumers who pay the fee to defendant typically earn between \$200-1,000 per week, and that
9 most consumers earn \$250 per week.

10 21. Through the use of the representations set forth in Paragraphs 7 and 10, and others
11 not specifically set forth herein, defendant has represented, directly or by implication, that
12 defendant possessed and relied upon a reasonable basis that substantiated the representations set
13 forth in Paragraph 20 at the time the representations were made.

14 22. In truth and in fact, defendant did not possess and rely upon a reasonable basis that
15 substantiated the representations set forth in Paragraph 20 at the time the representations were
16 made.

17 23. Therefore, defendant's representations as set forth in Paragraphs 16, 18, and 21 are
18 false and misleading and constitute deceptive acts or practices in violation of Section 5(a) of the
19 FTC Act, 15 U.S.C. §45(a).

20 **COUNT TWO**

21 24. Paragraphs 1 through 23 are incorporated herein by reference.

22 25. Through the use of the statements referred to in Paragraph 9, and others not
23 specifically set forth herein, defendant has represented, directly or by implication, that consumers
24 who pay the fee to defendant do not have to pay additional fees to pursue a work-at-home job.

25 26. In truth and in fact, consumers who pay the fee to defendant do have to pay
26 additional fees to pursue a work-at-home job.

1 27. Therefore, defendant's representation as set forth in Paragraph 25 is false and
2 misleading and constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act,
3 15 U.S.C. §45(a).

4 **COUNT THREE**

5 28. Paragraphs 1 through 27 are incorporated herein by reference.

6 29. Through the use of the statements referred to in Paragraph 11, and others not
7 specifically set forth herein, defendant has represented, directly or by implication, that the only
8 conditions for refund of the fee paid to defendant are that dissatisfied consumers participate in the
9 program for 60 days and return the package.

10 30. Defendant has failed to adequately disclose that consumers must meet additional
11 refund conditions, including the conditions that the consumer must send to defendant proof of
12 purchase date, a copy of the purchase receipt, the name and telephone number of two contacts
13 made using the pamphlet, a copy of one application form the consumer completed by using the
14 pamphlet, and a statement of the consumer's actions resulting from using the pamphlet. These
15 additional conditions would be material to consumers in their decisions to pay a fee to defendant.

16 31. Defendant's failure to disclose material facts as alleged in Paragraph 30 constitutes
17 a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. §45(a).

18 **INJURY**

19 32. Consumers throughout the United States who have paid fees to defendant for
20 defendant's work-at-home job program have suffered and are suffering monetary loss as a result
21 of defendant's deceptive acts or practices as alleged herein in violation of Section 5(a) of the FTC
22 Act. Absent injunctive relief by this Court, defendant is likely to continue to injure consumers and
23 harm the public interest.
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ATTORNEYS FOR PLAINTIFF
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