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11 ATTORNEYS FOR PLAINTIFF

12
13 **UNITED STATES DISTRICT COURT**
14 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**
15 **EASTERN DIVISION**

16 FEDERAL TRADE COMMISSION,

17 Plaintiff,

18 v.

19 ERIC G. LOUIE, dba Fastcashathome.com,
Fastcashathome.homestead.com, and
20 Hometypers.com; and CALVIN G. LOUIE,
21 dba Moneymakingsecret.homestead.com,
Realcashprograms.com, and
Dataentrypro.com,

22 Defendants.

Civil No.

**COMPLAINT FOR
INJUNCTIVE AND
OTHER EQUITABLE
RELIEF**

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

25 1. The FTC brings this action under Sections 5(a) and 13(b) of the FTC
26 Act, 15 U.S.C. §§ 45(a) and 53(b), to obtain preliminary and permanent injunctive
27 relief, rescission of contracts, restitution, disgorgement, and other equitable relief
28

1 for the defendants' violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

2 **JURISDICTION AND VENUE**

3 2. This Court has subject matter jurisdiction over this action pursuant to
4 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. § 53(b). This action arises
5 under 15 U.S.C. § 45(a)(1).

6 3. Venue in the United States District Court for the Central District of
7 California is proper under 28 U.S.C. §§ 1391(b) and 15 U.S.C. § 53(b).

8 **THE PARTIES**

9 4. Plaintiff, the Federal Trade Commission, is an independent agency of
10 the United States Government created by statute. 15 U.S.C. §§ 41 *et seq.* The
11 Commission is charged, *inter alia*, with enforcement of Section 5(a) of the FTC
12 Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or
13 affecting commerce. The Commission is authorized to initiate federal district
14 court proceedings by its own attorneys to enjoin violations of the FTC Act and to
15 secure such equitable relief as may be appropriate in each case, and to obtain
16 consumer restitution. 15 U.S.C. § 53(b).

17 5. Defendant Eric Louie promotes and sells Internet-based work-at-
18 home business opportunities. Individually or in concert with others, including his
19 brother defendant Calvin Louie, Eric Louie does business under several names,
20 including but not limited to Fastcashathome.com, Fastcashathome.homestead.com,
21 and Hometyper.com. He resides in Corona, California, and transacts or has
22 transacted business in the Central District of California.

23 6. Defendant Calvin Louie promotes and sells Internet-based work-at-
24 home and business opportunities. Individually or in concert with others, including
25 his brother defendant Eric Louie, Calvin Louie does business under several names,
26 including but not limited to, Realcashprograms.com, Moneymakingsecret.
27 homestead.com, and Dataentrypro.com. He resides in Lake Elsinore, California,
28 and transacts or has transacted business in the Central District of California.

1 **COMMERCE**

2 7. At all times relevant to this Complaint, defendants Eric and Calvin
3 Louie have maintained a substantial course of trade in or affecting commerce, as
4 “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

5 **DEFENDANTS’ BUSINESS PRACTICES**

6 8. In July 2003 Eric and Calvin Louie (referred to collectively as
7 “defendants”) entered into separate Cease and Desist Orders with the United
8 States Postal Service to resolve allegations that they made materially false
9 representations about the potential earnings available for envelope stuffing work-
10 at-home programs, for which they charged \$79.95. The Orders permanently
11 prohibited them from using the United States mails to promote the allegedly
12 fraudulent work-at-home programs and to pay restitution to injured consumers.

13 9. By September 2003, Eric Louie was promoting a variety of work-at-
14 home schemes via the Internet. Calvin Louie also began promoting virtually
15 identical work-at-home schemes via the Internet in September 2003. Defendant
16 Eric Louie promotes and sells Internet-based work-at-home programs under the
17 names Fastcashathome.com and Fastcashathome.homestead.com (referred to
18 collectively as “FCAH”), and Hometypers.com. Defendant Calvin Louie promotes
19 and sells Internet-based work-at-home programs under the names
20 Realcashprograms.com and Moneymakingsecret. homestead.com (referred to
21 collectively as “MMS”), and Dataentrypro.com.

22 10. Defendants’ Internet schemes involve a variety of deceptively
23 marketed work-at-home programs, including online survey programs, free
24 government grant money programs, mystery shopper programs, and online data
25 entry. On each of their Web sites, defendants claim that the consumer, once
26 enrolled, can quickly begin earning significant amounts of money working just a
27 few hours per week. Defendants have charged between \$47 and \$129 per program.
28 Consumers may purchase the programs separately or, in the case of MMS and

1 FCAH, which both offer twelve work-at-home opportunities, enroll in all twelve
2 programs for a fee of \$50.

3 11. The following are representative of the claims made by defendants on
4 their MMS and FCAH Web sites:

5 You can make \$200-\$500 Per Day From Home! Work At Home Be
6 Your own Boss. Legitimate, pre-screened and guaranteed scam-free

7 Get Paid up to \$150/hour to Participate in Online
8 Surveys. Daily Surveys. Work On Your own Hours.

9 Take Surveys online! Easy and Fun! Earn \$Cash\$ For
10 Your Opinion. Get Paid \$1.00, \$5.00-\$25.00 to \$75.00
11 Per Survey You Fill Out Online! Take Lots Of Surveys.
It's EASY! Each Survey Only takes about 10 - 15
minutes to complete. GUARANTEED PAY for each
survey you fill out. Sign up and start making incredible
money.

12 Get Free Grant Money! Get \$5,000-\$800,000 FREE!
13 For School, Business & more! RECEIVE \$12,000 + IN
FREE GRANT MONEY! Guaranteed! Never Repay! . .
14 . Everyone Qualifies!

15 Get Paid To Shop! \$35/Hr. \$GET PAID \$10-\$35/HOUR
16 TO SHOP\$ Get Paid To Shop/Eat! Now Hiring in Your
Local Area! . . Make Incredible Money and Get Free
Stuff.

17 Earn \$435,080 A Year Becoming an Affiliate! Sell our
18 12 programs and make up to \$22.00+ a sale through your
own website EXACTLY like ours!

19 12. The MMS and FCAH Web sites each prominently offer interested
20 consumers a free newsletter with additional information about the “top 12 money
21 making programs.” The newsletter is immediately e-mailed to any prospective
22 purchaser who requests it. The following are representative of the claims made by
23 defendants through their newsletter:

24 Get Paid Taking Surveys Online! Earn \$150 per hour
25 taking surveys online! You could get paid \$25.00-
\$75.00 Per survey you fill out! There is no limit to how
26 many surveys you can do. These market research
companies are in need of your opinions.

27 Get Paid Processing E-mails Online! Get paid \$25.00
28 Per E-mail you mail guaranteed! There is no limit to
how many emails you may process daily! Register

1 online today and start processing e-mails at home.

2 Free Government Grants. Receive \$10,000-\$250,000
3 cash FREE! Never Repay! Everyone qualifies for these
4 grants! Use this money for just about any purpose.

5 GET PAID \$95.00 Per Hour TO SHOP! Now hiring in
6 your local area. GET PAID TO SHOP and rate your
7 experience at places like Nordstroms, Banana Republic,
8 Gap, K-Mart, Restaurants, and more.

9 Learn a Simple Internet Technique that's making people
10 \$365,000 Yearly Income...All done at home...NO
11 EXPERIENCE NEEDED. Easy! GUARANTEED BIG
12 PAYCHECKS!

13 Make \$95 Daily Watching TV. Our companies need
14 people who are willing to watch TV, in order to obtain
15 accurate monitoring data of the viewing habits of the
16 American Public.

17 13. The following are representative of the claims made by defendants on
18 their Dataentrypro.com, and Hometypers.com Web sites:

19 Learn how I make \$3249.18 a day just sitting at home
20 while my Data Entry Profit System generates a never
21 ending flow of cash directly to my bank account.

22 “Who Wants To Make a \$1000+ Per Day Just Entering
23 Simple Data From Home?” What if I told you that you
24 can stay at home, quit your existing job, use my amazing
25 system and make more money than you ever could
26 working for someone else . . . ?

27 Get Paid Typing Data Online! \$\$Make Money From
28 Home\$\$ Start making money within 30 minutes! Learn
How To Make \$200-\$300+ Daily Doing Simple Typing
At Home.

14. The earnings claims made by defendants for their work-at-home
moneymaking opportunities are false and unsubstantiated. Moreover, the
purported work-at-home opportunities are often non-existent, inaccessible, or only
available upon payment of additional and undisclosed fees. Few, if any,
consumers who purchase defendants' programs make money.

VIOLATIONS OF SECTION 5 OF THE FTC ACT

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

1 **COUNT I**

2 16. In numerous instances in the course of advertising, offering for sale,
3 and selling their Internet-based work-at-home business opportunities, defendants
4 have represented, directly or indirectly, expressly or by implication, that
5 consumers who purchase defendants' Internet-based work-at-home business
6 opportunities are likely to make a substantial amount of money.

7 17. In truth and in fact, consumers who purchase defendants' Internet-
8 based work-at-home business opportunities are not likely to make a substantial
9 amount of money.

10 18. Therefore, defendants' representation as set forth in Paragraph 16 is
11 false and misleading and constitutes a deceptive act or practice in violation of
12 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

13 **COUNT II**

14 19. Defendants have represented, expressly or by implication, that they
15 possessed and relied upon a reasonable basis that substantiated the representation
16 set forth in Paragraph 16 at the time the representation was made.

17 20. In truth and in fact, in numerous instances, defendants did not possess
18 and rely upon a reasonable basis that substantiated the representation set forth in
19 Paragraph 16 at the time the representation was made.

20 21. Therefore, the representation set forth in Paragraph 19 is false and
21 misleading and constitutes a deceptive act or practice in violation of Section 5(a)
22 of the FTC Act, 15 U.S.C. § 45(a).

23 **CONSUMER INJURY**

24 22. Consumers nationwide have suffered or will suffer substantial
25 monetary loss as a result of the defendants' violations of Section 5(a) of the FTC
26 Act. In addition, defendants have been unjustly enriched as a result of their
27 unlawful practices. Absent injunctive relief by this Court, the defendants are
28 likely to continue to injure consumers, reap unjust enrichment, and harm the

1 public interest.

2 **THIS COURT'S POWER TO GRANT RELIEF**

3 23. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this
4 Court to grant injunctive and other ancillary relief, including disgorgement and
5 restitution, to prevent and remedy any violations of any provision of law enforced
6 by the Federal Trade Commission.

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

9 **PRAYER FOR RELIEF**

10 WHEREFORE, plaintiff requests that this Court, as authorized by Section
11 13(b) of the FTC Act, 15 U.S.C. § 53(b), and pursuant to its own equitable
12 powers:

13 1. Award plaintiff such preliminary injunctive and ancillary relief,
14 including a temporary restraining order, limited asset freeze, and an accounting as
15 may be necessary to avert the likelihood of consumer injury during the pendency
16 of this action and to preserve the possibility of effective final relief;

17 2. Permanently enjoin the defendants from violating the FTC Act as
18 alleged herein;

19 3. Award such other relief as the Court finds necessary to remedy the
20 defendants' violations of the FTC Act, including but not limited to rescission of
21 contracts, the refund of monies paid, and the disgorgement of ill-gotten gains by
22 the defendants; and

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

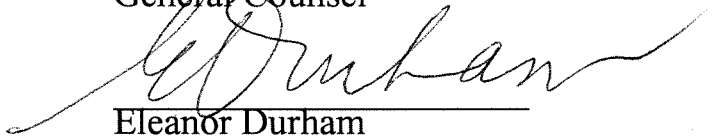
25
26 Dated this 29th day of November, 2006

27 Respectfully submitted,

28 William Blumenthal

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General Counsel



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