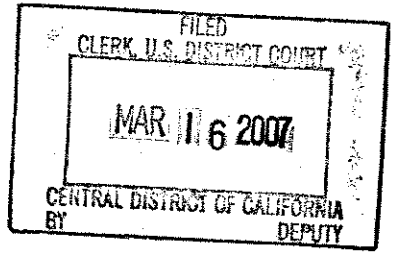


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13 UNITED STATES DISTRICT COURT
 14 FOR THE CENTRAL DISTRICT OF CALIFORNIA
 15 WESTERN DIVISION

CV07-01791 STD (SH)

16 FEDERAL TRADE COMMISSION,)
 17)
 18 Plaintiff,)
 v.)
 19 MYSTERY SHOP LINK, LLC,)
 a Maine Limited Liability)
 20 Company,)
 21 TANGENT GROUP, LLC,)
 a Maine Limited Liability)
 22 Company,)
 23 ROBIN LARRY MURPHY,)
 individually and as an)
 24 officer or member of)
 Mystery Shop Link, LLC,)
 25)
 26 ANDREW HOLMAN,)
 individually and as an)
 organizer, manager, officer)
 27 or member of Mystery Shop Link,)
 LLC and Tangent Group, LLC,)
 28)

Civ. No.

COMPLAINT FOR INJUNCTIVE
 AND OTHER EQUITABLE RELIEF

1 KENNETH JOHNSON,)
 individually and as an)
 2 officer or member of)
 Mystery Shop Link, LLC,)
 3)
 HARP MARKETING SERVICES, INC.,)
 4 a Florida corporation,)
)
 5 AIDEN REDDIN,)
 individually and as an)
 6 officer or director of)
 Harp Marketing Services, Inc.,)
 7 and,)
)
 8 MARC GURNEY,)
 individually and as an)
 9 officer or director of)
 Harp Marketing Services, Inc.,)
 10)
 11 Defendants.)

12
 13 Plaintiff, the Federal Trade Commission ("FTC" or
 14 "Commission"), for its Complaint alleges:

15 1. The FTC brings this action under Sections 5(a) and 13(b)
 16 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§
 17 45(a) and 53(b), to secure temporary, preliminary, and permanent
 18 injunctive relief, restitution, rescission or reformation of
 19 contracts, disgorgement, and other equitable relief for
 20 Defendants' deceptive acts or practices in violation of Section
 21 5(a) of the FTC Act, 15 U.S.C. § 45(a).

22 JURISDICTION AND VENUE

23 2. This Court has subject matter jurisdiction pursuant to
 24 15 U.S.C. §§ 45(a) and 53(b), and 28 U.S.C. §§ 1331, 1337(a), and
 25 1345.

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

1 concert with others, Murphy has formulated, directed, controlled,
2 or participated in the acts and practices of MSL and Tangent,
3 including the acts and practices set forth in this Complaint.
4 Murphy transacts or has transacted business in the Central
5 District of California and throughout the United States.

6 8. Defendant Andrew Holman ("Holman") is a shareholder of
7 MSL and also is an officer or member, or has held himself out as
8 an officer or member, of MSL and Tangent. Holman also is or has
9 been an organizer and manager of Tangent. At all times relevant
10 to this Complaint, acting alone or in concert with others, Holman
11 has formulated, directed, controlled, or participated in the acts
12 and practices of MSL and Tangent, including the acts and practices
13 set forth in this Complaint. Holman transacts or has transacted
14 business in the Central District of California and throughout the
15 United States.

16 9. Defendant Kenneth Johnson ("Johnson") is a shareholder
17 of MSL and also is an officer or member, or has held himself out
18 as an officer or member, of MSL. At all times relevant to this
19 Complaint, acting alone or in concert with others, Johnson has
20 formulated, directed, controlled, or participated in the acts and
21 practices of MSL, including the acts and practices set forth in
22 this Complaint. Johnson transacts or has transacted business in
23 the Central District of California and throughout the United
24 States.

25 10. Defendant Harp Marketing Services, Inc. ("Harp"), is a
26 Florida corporation with a registered agent at 3000 N. Ocean
27 Boulevard, Suite 406, Ft. Lauderdale, Florida 33308, and its
28 principal place of business at 2238 Sarno Road, Melbourne, Florida

1 32935. Harp transacts or has transacted business in the Central
2 District of California and throughout the United States.

3 11. Defendant Aiden Reddin ("Reddin") is an officer, or has
4 held himself out as an officer, of Harp. At all times relevant to
5 this Complaint, acting alone or in concert with others, Reddin has
6 formulated, directed, controlled, or participated in the acts and
7 practices of Harp, including the acts and practices set forth in
8 this Complaint. Reddin transacts or has transacted business in
9 the Central District of California and throughout the United
10 States.

11 12. Defendant Marc Gurney ("Gurney") is an officer, or has
12 held himself out as an officer, of Harp. At all times relevant to
13 this Complaint, acting alone or in concert with others, Gurney has
14 formulated, directed, controlled, or participated in the acts and
15 practices of Harp, including the acts and practices set forth in
16 this Complaint. Gurney transacts or has transacted business in
17 the Central District of California and throughout the United
18 States.

19 13. Defendants MSL and Tangent have operated as a common
20 enterprise in the commission of the acts or practices described
21 herein.

22 COMMERCE

23 14. At all times relevant to this complaint, Defendants have
24 maintained a substantial course of trade in or affecting commerce,
25 as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C.
26 § 44.

1 DEFENDANTS' DECEPTIVE ACTS AND PRACTICES

2 15. Since at least 2003, and continuing thereafter,
3 Defendants have conducted a nationwide advertising and
4 telemarketing campaign to sell "mystery shopping" employment
5 opportunities to consumers.

6 16. Defendants advertise in various media throughout the
7 country, including newspapers, radio, cable TV and the Internet,
8 offering consumers training, certification and continuous paid
9 employment as "mystery shoppers." Mystery shoppers are persons
10 hired to pose as customers of a particular business and then
11 prepare reports on its operations, personnel and/or facilities.

12 17. Defendants place "help wanted" ads for mystery shoppers
13 in local newspapers around the country, inviting consumers to
14 apply for actual mystery shopping positions. A typical ad
15 includes the following statements:

16 Help Wanted - Now Hiring!

17 **SHOPPERS NEEDED!**
18 **GET PAID TO SHOP!**

19 Mystery Shop Link Shoppers
20 Needed Immediately Across America!

21 Pick Your Assignments!
22 Choose Your Hours!
23 Full-Time Or Part-Time!

24 Pays up to HUNDREDS Weekly Plus
25 Keep What You Purchase* - FREE!

26 Do you LOVE to shop? MysteryShopLink.com needs
27 THOUSANDS of new Mystery Shoppers right now to
28 keep up with more than 1 million Mystery
Shopping assignments per year throughout the
USA! As America's largest and most trusted
mystery shopping company, we represent many
famous-name retailers who want to know YOUR
opinions about their customer service, security,
parking, store cleanliness and overall shopping

1 experience. As a trained, professional Mystery
2 Shop Link Shopper, you can receive as many as 30
3 potential paid assignments e-mailed to your
4 computer each morning - ranging from simple
5 shopping in retail and grocery stores, to eating
6 in restaurants or even going to the movies. You
7 get paid to handle each assignment PLUS you can
8 get reimbursed for purchases you make (so they
9 are yours to keep FREE*). You pick your
10 assignments and choose your own hours. How much
11 money you make is up to you! Many Mystery Shop
12 Link Shoppers earn hundred\$ each week!

13 **WHO CAN APPLY?** Males or females over 18, stay-
14 at-home moms, seniors, college students,
15 professionals, anyone who loves to shop.

16 **WHAT DO YOU NEED?** A credit or debit card or
17 checking account plus access to the Internet to
18 receive the daily list of potential job
19 assignments in your area.

20 **WHAT IS INVOLVED?** We'll train you in the
21 privacy of your home.

22 **WHEN DO YOU START?** The very day your brief
23 training program ends.

24 **CALL TOLL-FREE NOW FOR DETAILS!**
25 **1-888-231-9796**

26 18. Defendants also place ads in newspapers purporting to
27 tell the stories of a "corporate spy" who earns substantial part-
28 time income performing mystery shopping assignments provided by
MSL, or a woman rendered homeless and unemployed by Hurricane
Katrina, who now earns \$1,000 to \$1,400 per week performing
mystery shopping assignments provided by MSL.

19 19. Defendants also run ads on the radio, which include the
20 following statements:

21 Have you ever wondered how people get an
22 inside track to become a paid Mystery Shopper?
23 If you're self-disciplined and self-motivated
24 there are over 40,000 retail chains looking
25 for Mystery Shoppers across the country. We
26 work with large retailers, grocery chains,
27 restaurants and banks who need shoppers to
28 evaluate things like customer service, store

1 cleanliness and parking.

2 So, if you like to shop and have a valid email
3 address, we have assignments available now for
4 men and women 18 years and older.

5 Call 1-888-829-8936 to find out how you can
6 get paid to shop. That's 1-888-829-8936.
7 Paid shopping assignments are now available in
8 your area. 1-888-829-8936.

9 20. Defendants also advertise on cable television. An ad
10 that appeared on Game Show Network in June 2006 included the
11 following statements:

12 As a trained and certified Mystery Shop Link
13 shopper, you'll be able to bring home hundreds
14 of extra dollars each week; work part-time or
15 full-time; set your own hours. Prior
16 experience not required.

17 21. Consumers who call Defendants' toll-free telephone
18 number are connected to Defendants' telemarketers at Harp and
19 other locations, who represent that, in exchange for a payment of
20 \$99.95, consumers will receive everything they need to get started
21 as mystery shoppers, including training, certification, and all
22 the paid assignments they can handle for an entire year.

23 22. Defendants' telemarketers tell consumers that numerous
24 mystery shopping jobs are currently available in consumers' local
25 areas, and that many of these jobs go unfilled, so consumers can
26 pick and choose which jobs to take, and how much income to earn.
27 The telemarketers often tell consumers there are "dozens" or
28 "hundreds" or a similarly large number of mystery shopping jobs
currently available in their local areas. Defendants'
telemarketers represent that these available jobs will enable
consumers to easily earn up to \$300 to \$500 per week, or similar
amounts, performing mystery shops.

1 23. After paying Defendants' \$99.95 fee, consumers receive
2 passwords to access Defendants' on-line training at
3 mysteryshoplink.com. The training consists of consumers shopping
4 at two local businesses, without pay or reimbursement, and
5 submitting reports to Defendants. After consumers submit these
6 reports, Defendants inform them that they are certified as mystery
7 shoppers.

8 24. At this point, based on Defendants' representations,
9 consumers expect to receive assignments and begin earning money as
10 mystery shoppers. Instead, Defendants provide them with job
11 postings, essentially help wanted ads, placed by third parties.
12 Most or all of these job postings are available through other
13 sources free of charge. Defendants place the job postings in
14 consumers' mailboxes on mysteryshoplink.com, or send them to
15 consumers via e-mail. In all or nearly all instances, the job
16 postings require consumers to apply to third parties for
17 employment. Defendants have no role in deciding who gets hired by
18 these third parties, and Defendants' "certification" carries
19 little or no weight.

20 25. Consumers find that the number of mystery shopping jobs
21 available in their local areas is much lower than Defendants
22 represented, and there is no guarantee that consumers will get any
23 of these jobs. Consumers find that, contrary to Defendants'
24 representations, there are not large numbers of mystery shopping
25 jobs going unfilled. In fact, consumers find that many of the job
26 postings they receive from Defendants are already filled, or
27 expired, or do not even involve mystery shopping. After paying
28 Defendants' fee, most consumers do not get a single mystery

1 shopping job, and do not earn any money.

2 VIOLATIONS OF SECTION 5 OF THE FTC ACT

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

6 27. Misrepresentations of material fact constitute deceptive
7 acts or practices prohibited by Section 5(a) of the FTC Act.

8 COUNT ONE

9 28. In numerous instances, in the course of offering for
10 sale or selling mystery shopping employment opportunities,
11 Defendants have represented, expressly or by implication, that
12 Defendants are themselves hiring consumers to perform work as
13 mystery shoppers or are hiring on behalf of others.

14 29. In truth and in fact, in numerous instances, Defendants
15 are not themselves hiring consumers to perform work as mystery
16 shoppers and are not hiring on behalf of others.

17 30. Therefore, Defendants' representations, as set forth
18 above, are false and misleading and constitute deceptive acts or
19 practices in violation of Section 5(a) of the FTC Act, 15 U.S.C.
20 § 45(a).

21 COUNT TWO

22 31. In numerous instances, in the course of offering for
23 sale or selling mystery shopping employment opportunities,
24 Defendants have represented, expressly or by implication, that a
25 specified number of mystery shopping jobs are currently available
26 through Defendants in consumers' local areas.

27 32. In truth and in fact, in numerous instances, the
28 specified number of mystery shopping jobs were not currently

1 available through Defendants in consumers' local areas.

2 33. Therefore, Defendants' representations, as set forth
3 above, are false and misleading and constitute deceptive acts or
4 practices in violation of Section 5(a) of the FTC Act, 15 U.S.C.
5 § 45(a).

6 **COUNT THREE**

7 34. In numerous instances, in the course of offering for
8 sale or selling mystery shopping employment opportunities,
9 Defendants have represented, expressly or by implication, that a
10 large percentage, such as 45 percent, of mystery shopping jobs go
11 unfilled due to a lack of mystery shoppers.

12 35. In truth and in fact, in numerous instances, a large
13 percentage, such as 45 percent, of mystery shopping jobs do not go
14 unfilled due to a lack of mystery shoppers.

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

19 **COUNT FOUR**

20 37. In numerous instances, in the course of offering for
21 sale or selling mystery shopping employment opportunities,
22 Defendants have represented, expressly or by implication, that
23 consumers who pay a fee to Defendants for access to mystery
24 shopping jobs are likely to earn substantial income.

25 38. In truth and in fact, consumers who pay a fee to
26 Defendants for access to mystery shopping jobs are not likely to
27 earn substantial income.

28 39. Therefore, Defendants' representations, as set forth

1 above, are false and misleading and constitute deceptive acts or
2 practices in violation of Section 5(a) of the FTC Act, 15 U.S.C.
3 § 45(a).

4 CONSUMER INJURY

5 40. Consumers throughout the United States have suffered and
6 continue to suffer substantial monetary loss as a result of
7 Defendants' unlawful acts and practices. In addition, Defendants
8 have been unjustly enriched as a result of their unlawful acts and
9 practices. Absent injunctive relief by this Court, Defendants are
10 likely to continue to injure consumers, reap unjust enrichment,
11 and harm the public interest.

12 THIS COURT'S POWER TO GRANT RELIEF

13 41. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b),
14 authorizes this Court to issue a permanent injunction against
15 Defendants' violations of the FTC Act and, in the exercise of its
16 equitable jurisdiction, to order other ancillary relief, including
17 but not limited to, temporary and preliminary injunctions,
18 rescission or reformation of contracts, restitution, the refund of
19 monies paid, and the disgorgement of ill-gotten monies, to prevent
20 and remedy injuries caused by Defendants' law violations.

21 PRAYER FOR RELIEF

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

25 1. Award Plaintiff such preliminary injunctive and
26 ancillary relief as may be necessary to avert the likelihood of
27 consumer injury during the pendency of this action and to preserve
28 the possibility of effective final relief, including, but not

1 limited to, a preliminary injunction, an accounting, and an order
2 freezing assets;

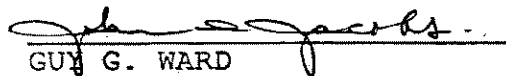
3 2. Enter a permanent injunction to prevent future
4 violations of the FTC Act by Defendants;

5 3. Award such relief as the Court finds necessary to
6 redress injury to consumers resulting from Defendants' violations
7 of the FTC Act, including but not limited to, rescission or
8 reformation of contracts, restitution, the refund of monies paid,
9 and the disgorgement of ill-gotten monies; and

10 4. Award Plaintiff the costs of bringing this action, as
11 well as such other and additional relief as the Court may
12 determine to be just and proper.

13
14 Respectfully Submitted,
15 WILLIAM BLUMENTHAL
16 General Counsel

17 DATED: March 19, 2007

18 
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