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UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF FLORIDA TAMPA DIVISION

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HIDDLE DISTRICT OF FLORIF TAMPA, FLORIDA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CAREER HOTLINE, INC., a corporation, and

SUSAN BRIGHT, individually and as an officer of CAREER HOTLINE, INC., and d/b/a UNIQUE FLOWERS,

Defendants.

Case No. 8:09 CV 1483-T 17 TGW

COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF

[FILED UNDER SEAL]

Plaintiff, the Federal Trade Commission ("FTC"), for its Complaint alleges:

1. The FTC brings this action under Section 13(b) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 53(b), to obtain temporary, preliminary, and permanent injunctive relief, rescission or reformation of contracts, restitution, the refund of monies paid, disgorgement of ill-gotten monies, and other equitable relief for Defendants' acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

JURISDICTION AND VENUE

- This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 45(a), 53(b).
- Venue is proper in this District under 28 U.S.C. §§ 1391(b) and (c), and 15 U.S.C.
 § 53(b).

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PLAINTIFF

4. The FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair and deceptive acts or practices in or affecting commerce. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and to secure such equitable relief as may be appropriate in each case, including restitution and disgorgement. 15 U.S.C. §§ 53(b), 56(a)(2)(A).

DEFENDANTS

- 6. Defendant Career Hotline, Inc. is a Florida corporation with its principal place of business at 6212 Seminole Blvd., Seminole, FL 33772. Career Hotline, Inc. transacts or has transacted business in this District and throughout the United States. At all times material to this Complaint, acting alone or in concert with others, Career Hotline, Inc. has advertised, marketed, distributed, or sold employment placement services to consumers throughout the United States.
- 7. Defendant Susan Bright is the owner of Career Hotline, Inc. She also does business as Unique Flowers. At all times material to this Complaint, acting alone or in concert with others, she has formulated, directed, controlled, had the authority to control, or participated in the acts and practices set forth in this Complaint. Defendant Bright resides in this district and in connection with the matters alleged herein, transacts or has transacted business in this district and throughout the United States.

COMMERCE

8. At all times relevant to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act,

15 U.S.C. § 44.

DEFENDANTS' BUSINESS ACTIVITIES

- 9. Since at least January 2009, Defendants have conducted a nationwide advertising and telemarketing 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 located throughout the United States. They also post listings in the jobs sections of Craigslist in selected cities throughout the country. The advertisements announce the availability of jobs of a particular type, with wages of a specified amount, plus benefits. The advertisements invite readers to call a toll-free phone number. The following ad, which was placed by Defendants in the Sunday, March 1, 2009, issue of the *Columbus Dispatch*, is typical:

WAREHOUSE

Will train. Must be able to lift 20 Lbs. FT position for immediate hire. \$20-\$30 per hr. Full benefits: medical, dental, 401(k) Call 1-800-921-4557

11. When consumers call the toll-free number they hear a pre-recorded telephone message. Set forth below is a recording of a prerecorded telephone message which is typical of those used by Defendants:

FEMALE RECORDING: You have reached the employment hotline. If you know your party's extension you may enter it now.

For employment, we currently have many job openings for immediate hire. These are full-time, permanent positions. For our entry level positions, no experience is required and will start out between 25,000 and 35,000 per year. Our mid-level positions will start out between 35,000 and 50,000 per year. And you must be available to begin work with a minimum of 35 hours per week. For all of our openings, you will be required to start within the next two weeks. Full

benefits are offered. Medical and dental begin 90 to 180 days after employment has begun. Vacation, holiday pay and 401K start six months to one year after employment has begun.

We can start you interviewing today as long as you are available to begin work right away.

First, there is a guaranteed placement fee required of 195. This is the only fee charged and we do guarantee placement to you.

Typically, our clients begin work in the first one to five days. These are direct hire, full-time, permanent positions and you must be available to begin work in the next two weeks.

If you are ready to get started and can begin work right away, press one now to get started.

When consumers press "one" they are connected to a live representative, as described below.

12. Defendants have also solicited consumers through their websites

CareerHotline.org. or Worknow.biz. The following representations are typical:

Great paying jobs are available for immediate hire. For all of these positions you must be available to start work within the next two weeks.

The employers we work with have unadvertised vacancies that they need to fill immediately. That's where we come in.

Typically our clients are starting their new jobs in 14 day's. [sic]

We work with over 5000 companies and have developed a level of trust that is unmatched in this industry. The companies know that we are placing only the best people for the job. Because they need positions filled immediately, we can turn the process around very quickly.

Because our business is to fill these positions as quickly as possible we have a **100% GUARANTEE** that you are placed with one of these fortune 500 companies.

Simply pay the one time guarantee placement fee of \$195. This guarantees you an interview within 48 hours and typically our clients are placed within 2 weeks.

The websites have contained a form requesting contact information for consumers to fill out and e-mail to Defendants.

13. Consumers who respond to the classified advertisements or the website speak to a live representative who delivers a telephone sales pitch which largely repeats the information they have already received that jobs are available and that a person is guaranteed a job upon payment of a fee ranging from \$89 to \$195. Defendants' sales representatives are provided a written sales script that they use in their calls with consumers. It states, in part:

I have several positions available right now for immediate hire...we're only looking for people who are able to start in the next 2 weeks. Are you available to start right away? Ok these are direct hire full time permanent positions with benefits. Are you working now? What kind of work have you been doing?? (LISTEN) Whats [sic] your name? Phone #?

These positions pay above average salaries with full benefits. Now they only hire people we refer so we can guarantee placement to you.

The written sales script contains the following suggested answer to the question, "What if I don't get a job?":

As I said it is a guaranteed placement these companies are looking to hire immediately. The only time someone has not gotten hired is when they don't go on the interviews I send them on. You are going to the interviews, right?

- 14. Defendants tell consumers who wish to purchase their services to send a fee ranging from \$89 to \$195 and a copy of their resume. Defendants tell consumers that they will receive a call to set up job interviews within 48 hours after Career Hotline receives the money.
- 15. After consumers pay the fee and send their resumes, they hear nothing from Defendants. Consumers who call requesting information are told to leave their name and phone number and that someone will get back to them. In numerous instances, Defendants do not return

consumers' calls, even when consumers have called multiple times over several weeks. If consumers do get through to someone, Defendants tell them that they are working on getting them a job and someone will get back to them. Some consumers have received an e-mail containing a list of companies in their area and nothing more. In numerous instances, Defendants do not provide consumers interviews, much less jobs.

16. Many consumers request a refund of the fee they paid to Defendants because they have not gotten a job. Defendants tell consumers that the fee is non-refundable and do not provide a refund.

VIOLATIONS OF THE FTC ACT

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

Count I

- 19. In numerous instances, through the means described in Paragraphs 9 through 14, Defendants have represented, directly or indirectly, expressly or by implication, that consumers who pay Defendants' placement fee and transmit their resumes will obtain jobs.
- 20. In truth and in fact, in numerous instances, in which Defendants have made the representations set forth in Paragraph 19 of this Complaint, Defendants have failed to obtain jobs for consumers who have paid the placement fee and transmitted their resumes.
- 21. Therefore, the making of the representation as set forth in Paragraph 19 of this Complaint constitutes a deceptive act or practice in or affecting commerce in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

22. Consumers have suffered and will continue to suffer substantial injury as a result of Defendants' violations of the FTC Act. In addition, Defendants have been unjustly enriched as a result of their unlawful acts or practices. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

23. 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 ancillary relief, including rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies, to prevent and remedy any violation of any provision of law enforced by the FTC.

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 the Court:

- A. 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, temporary and preliminary injunctions, an order freezing assets and immediate access to documents;
- B. Enter a permanent injunction to prevent future violations of the FTC Act by Defendants:
- C. 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

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

Respectfully submitted,

Willard K. Tom General Counsel

Dated:

8/4/09

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Attorneys for Plaintiff

FEDERAL TRADE COMMISSION

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS				DEFENDANTS Career Hotline, Inc., a corporation, and Susan Bright, individually and		
Federal Trade Commission				as an officer of Career Hotline, Inc., and d/b/a Unique Flowers		
(b) County of Residence of First Listed Plaintiff (EXCEPT IN U.S. PLAINTIFF CASES)			County of Resid	dence of First Listed Defendant	Seminole	
				(IN U.S. PLAINTIFF CASES	ONLY)	
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David Fix 600 Pennsylvania Av	e, Address, and Telephone Numbe enue, NW, H-288	1)	Amoneystan			
Washington, DC 2058		98				
II. BASIS OF JURISI	OICTION (Place an "X" in	One Box Only)		OF PRINCIPAL PARTIES	(Place an "X" in One Box for Plaintiff and One Box for Defendant)	
▼ 1 U.S. Government			(For Diversity Cases Citizen of This State	PTF DEF 1 1 1 Incorporated or P of Business In Th	rincipal Place DEF	
☐ 2 U.S. Government Defendant	Defendant		Citizen of Another State	□ 2 □ 2 Incorporated and of Business In	Principal Place	
,23.00	(Indicate Citizenship	of Parties in Item III)	Citizen or Subject of a Foreign Country	☐ 3 ☐ 3 Foreign Nation	□ 6 □ 6	
IV. NATURE OF SUI	T (Place an "X" in One Box On	ly)				
CONTRACT	TOR		FORFEITURE/PENA	ALTY BANKRUPTCY	OTHER STATUTES	
☐ 110 Insurance ☐ 120 Marine ☐ 130 Miller Act	PERSONAL INJURY ☐ 310 Airplane ☐ 315 Airplane Product	PERSONAL INJUR 362 Personal Injury Med. Malpractic	☐ 620 Other Food & Dru		☐ 400 State Reapportionment ☐ 410 Antitrust ☐ 430 Banks and Banking	
☐ 140 Negotiable Instrument		☐ 365 Personal Injury -			☐ 450 Commerce	
☐ 150 Recovery of Overpayment & Enforcement of Judgment	☐ 320 Assault, Libel & Slander	Product Liability 368 Asbestos Personi		PROPERTY RIGHTS ☐ 820 Copyrights	☐ 460 Deportation ☐ 470 Racketeer Influenced and	
☐ 151 Medicare Act	☐ 330 Federal Employers'	Injury Product	650 Airline Regs.	☐ 830 Patent	Corrupt Organizations	
152 Recovery of Defaulted Student Loans	Liability 340 Marine	Liability PERSONAL PROPER	TY Safety/Health	☐ 840 Trademark	 □ 480 Consumer Credit □ 490 Cable/Sat TV 	
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☐ 153 Recovery of Overpayment		371 Truth in Lending		SOCIAL SECURITY	☐ 850 Securities/Commodities/	
of Veteran's Benefits 160 Stockholders' Suits	☐ 350 Motor Vehicle ☐ 355 Motor Vehicle	 380 Other Personal Property Damage 	☐ 710 Fair Labor Standa Act	rds	Exchange 875 Customer Challenge	
☐ 190 Other Contract		☐ 385 Property Damage Product Liability	☐ 720 Labor/Mgmt. Rela ☐ 730 Labor/Mgmt.Repo	tions 3 863 DIWC/DIWW (405(g))	12 USC 3410 890 Other Statutory Actions	
☐ 196 Franchise	Injury	BRIGOVED BETITIO	& Disclosure Act	☐ 865 RSI (405(g))	891 Agricultural Acts	
REAL PROPERTY ☐ 210 Land Condemnation	CIVIL RIGHTS 441 Voting	PRISONER PETITIO			892 Economic Stabilization Act 893 Environmental Matters	
☐ 220 Foreclosure	☐ 442 Employment	Sentence	791 Empl. Ret. Inc.	or Defendant)	☐ 894 Energy Allocation Act	
230 Rent Lease & Ejectment	☐ 443 Housing/	Habeas Corpus:	Security Act	☐ 871 IRS—Third Party	☐ 895 Freedom of Information	
☐ 240 Torts to Land ☐ 245 Tort Product Liability	Accommodations 444 Welfare	☐ 530 General ☐ 535 Death Penalty	IMMIGRATION	26 USC 7609	Act 900 Appeal of Fee Determination	
☐ 290 All Other Real Property	☐ 445 Amer, w/Disabilities -	540 Mandamus & Ot	ner	plication	Under Equal Access	
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VII. REQUESTED IN			DEMAND S	CHECK YES only	if demanded in complaint:	
COMPLAINT:	UNDER F.R.C.P.	23		JURY DEMAND	: ☐ Yes ☐ No	
VIII. RELATED CAS IF ANY	(See instructions)	JUDGE		DOCKET NUMBER		
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FOR OFFICE USE ONLY						
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