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UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

MIDDLE DISTRICT OF FLORIDA
GREATERTYPE

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

EXPAND, INC., a corporation, also d/b/a Gigats,
also d/b/a Education Match, also d/b/a SoftRock,
Inc., and

AYMAN A. DIFRAWI, a/k/a Alec Difrawi, a/k/a
Ayman El-Difrawi, individually and as an officer
or director of EXPAND, INC.,

Defendants.

Case No. _____

**COMPLAINT FOR PERMANENT
INJUNCTION AND OTHER
EQUITABLE RELIEF**

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 preliminary and permanent injunctive relief, rescission or reformation of contracts, restitution, 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) in connection with generating consumer leads for sale to educational and other institutions.

JURISDICTION AND VENUE

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

3. Venue is proper in this district under 28 U.S.C. § 1391(b)(1), (b)(2), (b)(3), (c)(2), and (d), and 15 U.S.C. § 53(b).

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 or deceptive acts or practices in or affecting commerce.

5. 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 rescission or reformation of contracts, restitution, and the disgorgement of ill-gotten monies. 15 U.S.C. §§ 53(b) and 56(a)(2)(A).

DEFENDANTS

6. Defendant Expand, Inc. (“Expand”), also doing business as Gigats, also doing business as Education Match, also doing business as SoftRock, Inc., is an Illinois corporation with its principal place of business in Orlando, FL. Expand transacts or has transacted business in this district and throughout the United States.

7. Defendant Ayman A. Difrawi, also known as Alec Difrawi, also known as Ayman El-Difrawi, is the founder, self-described “quarterback,” chief executive officer, and a director of Expand. At all times material to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in

the acts and practices of Expand, including the acts and practices set forth in this Complaint. Defendant Difrawi 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 material 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. Defendants serve as lead generators for other businesses, particularly post-secondary schools and career training programs. Lead generators collect consumer contact and other information. They then sell this information to third parties as “leads.” The third parties use the leads for their own purposes, including to market their own products or services.

10. Defendants misrepresent that consumers may apply for jobs with prospective employers through Defendants, including by claiming that they pre-screen consumers on behalf of the prospective employers. In reality, many of the jobs Defendants advertise to consumers are not current job opportunities, and even when the job opportunities are current, Defendants are not authorized by the prospective employers to collect applications, screen applicants, or interview them for those jobs. In addition, although consumers may subsequently be instructed by Defendants to go to a prospective employer’s website to apply to a job, Defendants do not pass along any information to the prospective employers about consumers who believe they have applied for the advertised position.

11. Defendants further misrepresent to the same consumers that Defendants are also independent educational advisors who will assist consumers in finding the “best” educational options to help the consumers achieve their career goals. Defendants are, however, not searching for the best options for consumers, but rather confine their search to those educational institutions that will pay Defendants for consumer leads. Defendants engage in these deceptive practices in order to collect consumer information, such as names, contact information, and education and employment status, which Defendants then sell as leads primarily to educational and other institutions.

12. Defendants’ business has generated millions of dollars in revenue by selling consumer leads to educational and other institutions.

Defendants Post Purported Job Openings on Gigats.com

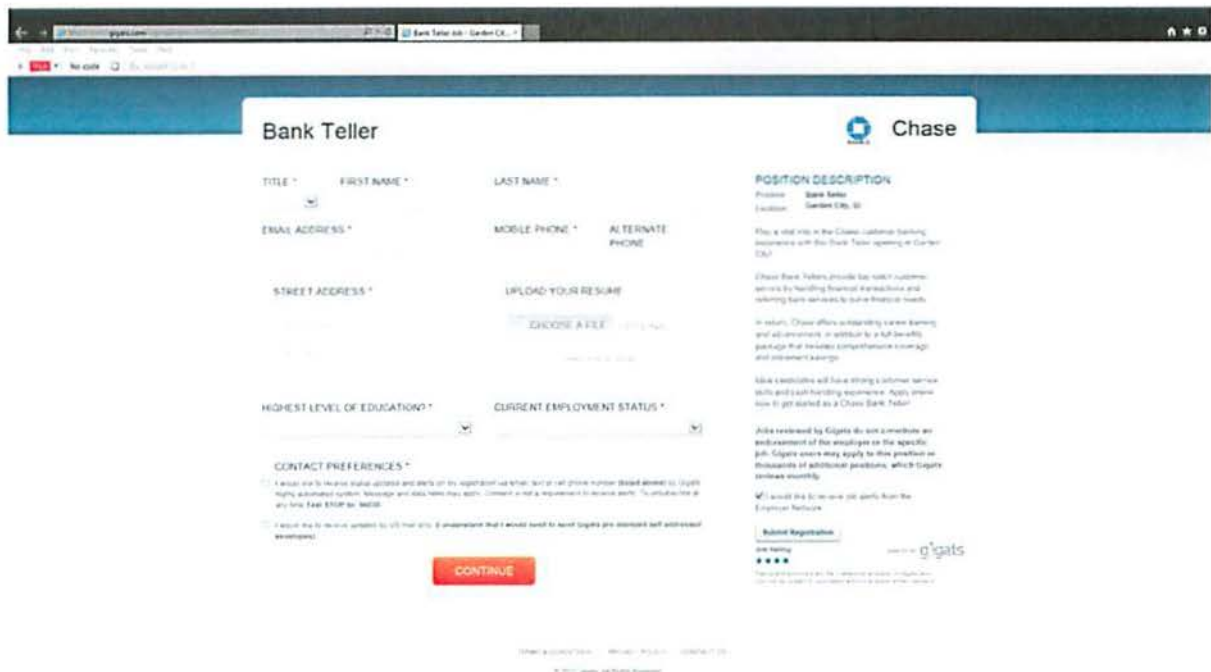
13. Since at least 2012, Defendants have owned and operated the website www.gigats.com, which they have used as a vehicle for collecting consumer leads.

14. Defendants have collected information regarding job openings at prospective employers, including multinational companies and government agencies, from various sources on the internet. Defendants have then drafted summaries of these job openings and posted these summaries on gigats.com. These posts resemble job announcements seeking applications from consumers.

15. Consumers have found the job posts on gigats.com either after conducting internet searches for jobs or by being redirected to gigats.com from other websites. These websites include internet job boards on which Defendants have listed their job posts. In these listings, Defendants typically provide the job title, prospective employer, location, and

a brief description of the advertised position, as well as a link to the job post on gigats.com. Defendants' listings contain internet links that direct consumers to gigats.com, not to the prospective employer's website.

16. Defendants have crafted the job posts on gigats.com to appear as if they are posted by, or at the direction of, the prospective employer. The following is an example of a job post on gigats.com:



17. The other job posts on gigats.com follow a similar template as the above example. The job title (in the example above, "Bank Teller") is listed in the upper left hand corner. In the upper right hand corner is the name of the prospective employer, typically including that employer's real logo.

18. The right-hand column contains a "Position Description" that includes the name and location of the purported job opening and then a description of the opening that

may discuss, among other things, pay, benefits, responsibilities, and required experience or skills. The Position Description then typically closes with an exhortation for the consumer to immediately apply for the position – for example, in the screenshot above, “Apply online now to get started as a Chase Bank Teller!”

19. The left-hand column seeks information that consumers reasonably would expect to be requested on a job application, including name, contact information, and education and employment status, and provides the option to upload a resume.

20. Many consumers submit their information to gigats.com believing they are applying for, or that submitting their information is a necessary step in applying for, the position listed in the job post.

Consumers Are Instructed to Call Defendants for an “Interview”

21. Consumers who submit their information on gigats.com are instructed by Defendants to call for an “interview,” sometimes immediately upon submitting their information on gigats.com.

22. These consumers are instructed to do so by being shown a web page similar to the following:



23. This web page again lists the position and prospective employer to which the consumer believes he or she is applying and informs the consumer that “To complete your registration and apply for the [advertised] position, you must first interview with a **Gigats Employment Specialist**” (emphasis added). The consumer is then told to call a Gigats Employment Specialist at the number listed.

24. If the consumer is unable to call the Gigats Employment Specialist at that moment, the consumer is urged to schedule an alternate time. In the example above, consumers are urged to “schedule an alternate time for your **pre-screening interview**” (emphasis added). A pre-screening interview is a common practice of hiring employers that typically includes using a short phone interview in order to whittle down the number of job applicants to a manageable number.

25. Defendants also have contacted consumers to schedule an “interview” via text messages. Defendants send texts to consumers who have submitted their information on gigats.com. The text references the purported job opening and urges the consumer to call to talk about it. For example, “Hi [consumer’s name], you inquired about the [advertised] Job. Call me at [phone number] to talk about the next steps. (text STOP to cancel).”

During the Purported Interview, Defendants Attempt to Sell Consumers on Education

26. Many consumers, believing the telephone interview is the next step in the job application process, call the number provided by Defendants. Since at least 2012, some consumers calling for the purported interview have been connected to a live employee of Defendants, whom Defendants refer to as, among other names, Employment Specialists, Job Specialists, or Career Specialists (hereinafter, “Employment Specialist”). Employment Specialists are trained to follow a script provided by Defendants in their conversations with consumers (discussed further below). Failure to follow the script could result in disciplinary action being taken against the Employment Specialist. Defendants also train the Employment Specialists in ways to overcome consumers’ objections and concerns, and provide the Employment Specialists with stock responses to questions raised by consumers.

27. Beginning in 2013, some consumers calling Defendants for the purported interview alternatively have been connected to a computer program that Defendants have referred to as, among other names, the SaleMaker or SR program (hereinafter, the “SaleMaker program”). The SaleMaker program conducts the purported interview by using a pre-recorded script to mimic a call conducted by an Employment Specialist. Each call in which Defendants employ the SaleMaker program is monitored by a live representative of

Defendants. If a consumer makes a comment, asks a question, or raises a concern, the representative is able to select an appropriate response from a list of pre-recorded messages. The consumer then hears the pre-recorded response selected by Defendants' representative.

28. Many consumers believe the purpose of the purported telephone interview is to apply for a job, and this is a belief that Defendants actively encourage. For example, Defendants have instructed their Employment Specialists to emphasize, at the beginning of the call, the position and prospective employer to which the consumer believes he or she is applying. An internal training document of Defendants explains that the "psychology" behind this is to cause the consumer to "immediately assume that the call is beneficial to his or her interest in the particular position...."

29. During the interview, the Employment Specialists or SaleMaker program ask the consumers to confirm the information they submitted on gigats.com, as well as basic questions about career history and goals. Defendants tell consumers that the purpose of these questions is to determine if the advertised position is a "good match" for the consumer, although Defendants have not been hired, engaged, or otherwise authorized by any prospective employer to screen or interview applicants for advertised positions. Defendants may use the information they gather to match the consumers with other job opportunities, but another purpose of these questions and the purported interview as a whole is to collect consumers' information to sell to educational and other institutions.

30. Employment Specialists are trained, and the SaleMaker program is programmed, to ask consumers questions designed to segue the purported interview away

from employment and towards education. For example, the SaleMaker program asks consumers:

- “If you had the opportunity to continue your education in a way that did not interfere with your current job search or your family life and if you also found you qualified for financial aid to help with the cost of tuition, is there anything else that could stop you from going back or furthering your education if all of that were possible?”
- “What I’m asking is this, if you found employment and everything fell into place for you, you got a job and it didn’t interfere with your work or your personal life, if you were given the opportunity to complete some education goals, I’d assume you’d want to do that within the next one to two months, right?”

31. After answering the questions posed by the Employment Specialists or SaleMaker program, consumers typically are transferred to different employees of Defendants, whom Defendants have referred to as, among other names, “Education Advisors,” “Education Specialists,” or “Academic Guides” (hereinafter, “Education Advisor”).

32. Similar to the Employment Specialists, the Education Advisors are instructed to follow a script provided by Defendants and are trained to overcome common concerns or objections of consumers regarding enrolling in a post-secondary school or career training program.

33. During calls with consumers, Education Advisors represent that they are “independent” advisors helping consumers find the “best” option for consumers to continue their education. After asking consumers questions about their education history and interests, the Education Advisors use the information to identify schools and programs to recommend to the consumer from among the schools that have agreed to pay Defendants a fee for the leads.

34. Depending on the school, time of day, and availability of the consumer, Defendants’ Education Advisors may directly transfer the consumer to the representative of a post-secondary school or career training program. Defendants refer to this as a “warm transfer.”

35. Instead of a warm transfer, Education Advisors may send the consumer’s contact and other information collected by Defendants to multiple schools or programs. Representatives of the schools or programs then contact the consumer directly at a later date or time. Defendants refer to this as a “student matching profile.”

36. Defendants typically receive between \$22 and \$125 for each qualified lead sold. A qualified lead is one that meets the requirements set by the school or program for enrollment.

Defendants Mislead Consumers About Their Purported Services

37. In order to obtain consumers’ information to sell as leads, Defendants misrepresent that by submitting their information on gigats.com or participating in the purported interview, consumers have applied or are applying for an open job position.

38. For example, the process alleged in Paragraphs 13-25 by which Defendants drive traffic to gigats.com and induce consumers to call Defendants for a purported interview mimics many consumers' experiences in applying for jobs online. Similarly, in order to induce consumers to set up the purported interview with an Employment Specialist, Defendants have represented to consumers:

- To “apply for the [advertised position], you **must first interview with a Gigats Employment Specialist.**” (emphasis added);
- “[Consumer name] we haven’t heard from you. If you are still interested in the [advertised position] opening, call [phone number].”

39. In addition, Employment Specialists and the SaleMaker program, following the training and scripts provided by Defendants, continue to represent to consumers during the purported interview that the consumers have applied or are applying for the advertised job position. For example, Employment Specialists and the SaleMaker program have represented to consumers:

- “I see you’re calling about an open job position you applied for online.”
- “My job is to ask you some questions to determine if the [advertised position] is a good match for you.”
- “I’m an Employment Specialist here. My job today is just to ask you a few questions to determine if the position you applied for is going to be a good match for you.”

- “Now I know that you were interested in the position you started applying for. Is that the ideal type of job that you want or do you feel like that’s all you’re really qualified for at this moment?”
- “I see here that you are interested in the [advertised position] with [the advertised employer], is that correct?”
- “Today I’m going to ask you some pre-screening questions and I’m also going to go ahead and send you out an email so you can finish up that application you started.”

40. Defendants have also provided the Employment Specialists or SaleMaker program with stock responses to “frequent” consumer questions. These stock responses likewise represent to consumers that they have applied for or are applying for the advertised job position. For example:

- In response to the question, “Do I have to speak to you before my application goes to the employer?”, “Yes, my job is to ask you a few question to help determine if the [advertised position] is a good match for you.”
- In response to any “odd” question, “It’s just a bit of an odd question. I’m just trying to do my job today and get you through the pre-screening. You are still looking for a job, right?”

41. Contrary to Defendants’ representations, by submitting their information on gigats.com or participating in the purported interview, consumers have not applied and are not applying for an open job position. Defendants do not transfer or otherwise pass along

consumers' applications, contact information, or even interest in a position to prospective employers. Indeed, in some cases, the purported job openings may no longer even exist. After the purported interview, Defendants send consumers an email containing a link to the prospective employer's actual job application site. However, some consumers who follow the link or otherwise contact the prospective employer directly report that the purported job opening did not exist, was already filled, or was outdated.

42. Employment Specialists and the SaleMaker program, following the training and scripts provided by Defendants, also misrepresent to consumers during the purported interviews that the prospective employers have engaged Defendants to represent the employers in the hiring process by, among other things, screening potential applicants. For example, Employment Specialists and the SaleMaker program have represented to consumers:

- “What we do at Gigats is we match job-seekers like you with open positions that different companies are looking to fill. Now those companies they actually pay us because we are able to save them time and money by sending them out only qualified candidates.”
- “When you started your application online, it was through Gigats. We get paid by the employers to screen their applicants for them and only send out qualified candidates.”
- “The employers pay us because we save them time by screening applicants and only sending them candidates that we've qualified.”

- “We are paid by employers to find qualified candidates for open positions.”
- “The reason why I ask you these questions is because the employers they just really want to get a good gauge on what your future goals are.”

43. Contrary to Defendants’ representations, Defendants have not been hired, engaged, or otherwise authorized by any prospective employer to solicit applicants, collect applications, screen applicants, or interview applicants for purported job openings. Defendants are not paid by the prospective employers; rather, their revenue comes primarily from selling consumers’ contact information as leads to educational institutions and others.

44. Defendants have also misled consumers about the role of their so-called Education Advisors. In keeping with the training and scripts provided by Defendants, the Education Advisors misrepresent that they are independent advisors who are helping consumers find the best program for their needs and interests. For example, Education Advisors have told consumers:

- “I just want to make sure you know I’m an independent education advisor and that I do not work for any schools or enroll students.”
- “I’m just really here to find the best options for you based on my understanding of your career goals and any concerns you might have.”
- “To find the best solution for you... I would need to know how soon you would want to start the right program to meet your goals.”

- “In order to help you locate the very best program to meet your career goals, [Expand] does maintain a database of programs that are offered by thousands of colleges, universities, and trade schools in the United States.”

45. Contrary to their representations, Defendants’ Education Advisors are not independent advisors searching for the best program to fit a consumer’s needs and interests. Instead, Defendants’ Education Advisors only recommend post-secondary schools or career training programs that have agreed (or their representatives or marketing partners have agreed) to pay Defendants for leads.

VIOLATIONS OF THE FTC ACT

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

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

Count I

48. In numerous instances in connection with generating leads to sell to educational or other institutions, Defendants have represented, directly or indirectly, expressly or by implication, that by submitting their information to Defendants or by participating in a purported interview, consumers have applied or are applying for an open job position.

49. In truth and in fact, consumers have not applied and are not applying for an open job position by submitting their information to Defendants or by participating in the purported interview.

50. Therefore, Defendants' representation as set forth in Paragraph 48 of this Complaint 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

51. In numerous instances in connection with generating leads to sell to educational or other institutions, Defendants have represented, directly or indirectly, expressly or by implication, that Defendants are acting on behalf of prospective employers hiring for open job positions.

52. In truth and in fact, Defendants are not acting on behalf of prospective employers hiring for open job positions.

53. Therefore, Defendants' representation as set forth in Paragraph 51 of this Complaint is false and misleading and constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

Count III

54. In numerous instances in connection with generating leads to sell to educational or other institutions, Defendants have represented, directly or indirectly, expressly or by implication, that their employees are independent advisors searching for the best educational option for consumers.

55. In truth and in fact, Defendants' employees are not independent advisors searching for the best educational option for consumers.

56. Therefore, Defendants' representation as set forth in Paragraph 54 of this Complaint is false and misleading and constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

CONSUMER INJURY

57. 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

58. 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 any provision of law enforced by the FTC. 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 FTC, pursuant to Section 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, a preliminary injunctions;

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.

Dated: 4/26/2016

Respectfully Submitted,

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