

Complaint

121 F.T.C.

IN THE MATTER OF

ROBERT SERVISS

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT

Docket C-3669. Complaint, June 12, 1996--Decision, June 12, 1996

This consent order prohibits, among other things, a Connecticut-based individual doing business as Excel Communications from misrepresenting, in advertisements for a work-at-home business, the income, earnings, or sales from any business opportunity and prohibits any claims concerning past, present, or future earnings unless, at the time of making the representation, it possesses competent and reliable evidence to substantiate the claim.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Walter Diercks, Washington, D.C.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Robert Serviss, individually and doing business as Excel Communications ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Robert Serviss is an individual doing business as Excel Communications. His principal office or place of business is located at 2169 Summer Street, Suite 115, Stamford, Connecticut.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of the "ON-LINE Profits Made Easy" business opportunity to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for the "ON-LINE Profits Made Easy" business opportunity. The advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

YOU CAN MAKE \$1000 A DAY WORKING FROM HOME!

This opportunity is so fantastic, you can make \$1000 a day working from home in an easy, pleasant business.

Consider this: If you make just one \$25 sale per day (7 days a week) on 145 computer Bulletin Board Systems (out of 70,000) -- you are earning over \$100,000 a month! Can you make just one \$25 sale a day on 145 B.B.S.s? If so, you can earn \$100,000 a month! Yes it can be done!

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that the amount of money represented by these statements is representative, or typical, of what individuals who purchase the "ON-LINE Profits Made Easy" business opportunity will generally achieve.

PAR. 6. In truth and in fact, the amount of money represented by these statements is not representative, or typical, of what individuals who purchase the "ON-LINE Profits Made Easy" business opportunity will generally achieve. Therefore, the representation set forth in paragraph five was, and is, false and misleading.

PAR. 7. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit 1, respondent has represented, directly or by implication, that at the time he made the representation set forth in paragraph five, respondent possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 8. In truth and in fact, at the time he made the representation set forth in paragraph five, respondent did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph seven was, and is, false and misleading.

PAR. 9. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

Complaint

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EXHIBIT 1

Subject: Re: Making money

Date:

From:

Reply-to:

To:

YOU CAN MAKE \$1000 A DAY WORKING FROM HOME!
A COMPLETELY DIFFERENT APPROACH
TO ELECTRONIC MARKETING.

READ MY MESSAGE AND DISCOVER WHY A SANE
PERSON WOULD REVEAL THIS KIND OF SECRET!

(Please do yourself a big favor and print out this report. It contains a lot of information and there is a time limit given below to receiving \$1,663 worth of FREE gifts!)

Dear Friend:

As a computer user and recipient of this report I know you are wondering: Can I really make BIG PROFITS ON-LINE? Can I make serious money without any special computer skills?

The answer is YES! This opportunity is so fantastic, you can make \$1,000 a day working from home in an easy, pleasant business. The reason I can predict such success is simple. What I am about to tell you is revolutionary! In fact, it may be . . .

THE HOTTEST MARKETING BREAKTHROUGH OF ALL TIME.

My name is Robert Serviss, Jr.. I live in Connecticut. I am writing this letter on a couch with my laptop at home. This is where I have "worked" for the past two years. I know what you are about to read will be hard to believe. And it will probably be even more difficult for you to believe that you too can make money using my system. But, I hope you'll hear me out. I may be the guy who improves your financial future in a BIG way.

I WOULD HAVE NEVER GUESSED
I WOULD HAVE THIS OPPORTUNITY.

This is not some pie in the sky theory. My electronic marketing system is full of practical, proven information. I offer you the opportunity to work with me. You may get to know me, and even get my private phone number.

I am an opportunity junkie. Over the years I have bought more tapes, books, programs and opportunities than I care to mention. Why? I hated working for someone else. I had a "nice" job but it kept me away from home for long periods of time. I felt stuck. I wanted more time with my family, and more time to pursue my favorite recreational activities. I didn't want to wait until 65 to have fun.

Much of what I sent away for was useless. It was either too complicated, just plain insulting, or involved risking a lot of money. I can remember promising to myself then that if I ever found a money making system that actually worked I would share it with anyone willing to learn.

About two years ago, I discovered the on-line computer services, the Internet, and the B.B.S.s. They offered the opportunity I had been waiting for. Why? Because electronic marketing combines the best of all worlds. It is low cost, minimal work, has practically no risk, and HUGE profit potential. Furthermore, no advanced computer, business, or marketing skills are necessary to succeed. Let's take a closer look.

LEARN TO MARKET PRODUCTS OR SERVICES ON-LINE!

There has always been a lot of money to be made through direct selling. You could place ads in newspapers and magazines and respond to inquiries through the mail. But, times have changed. If you possess a computer and a modem you can easily make big on-line profits without big expenses.

THE PAST: For many years, people have made big money selling information in traditional direct mail campaigns. It works something like this.

Assume you wanted to sell an information package on how to improve credit. This is a 'hot' topic and it is easy to compile the information once you know how. First, you would run lead generating ads in national publications. Your ad would include an offer for a free report and a 1-800 number for people to call and respond.

Second, you would send a sizzling sales letter to those people who answered your ad. This letter would attempt to sell your information package about improving credit.

Third, you would mail out your package to those who ordered.

Take a look at the associated expenses. you might run 1/6 of a page lead generating ads in the National Enquirer, STAR, and Popular Science. The total circulation would be about 7,800,000. You would spend an estimated \$13,000 to reach them. That's thirteen thousand dollars.

And there are more expenses, add the cost of your 1-800 line (about \$1 per call), mailing information (\$.50 per piece) and fulfilling your orders. Your costs are HUGE. Any profits?

Let's use some industry 'standards,' to calculate. About 1/2 of 1% of the circulation would call for information (that's a great %) and about 5% of those would order your \$49.95 information package. If it costs you \$5 to print and mail your book, your total costs become approximately \$81,250. Your total income would be about \$97,400, making you a little over \$16,000. This is a large profit but do you have the \$81,000 to risk on the ad campaign? And do you want to take the risk? Now you don't have to. That was all in the past.

WHAT MAKES ON-LINE MARKETING SO EXCITING?

THE PRESENT AND FUTURE:

Imagine for a moment that all of the magazines let you run your ads - FREE!

What would happen? You'd save a huge \$13,000. Add this to your profits from the past and you're now making \$29,000 instead of \$16,000. Are you getting excited yet? There's more!

Now, let's say the 1-800 service doesn't charge you the \$1 per call. They take your calls at no cost to you! In the past you were paying \$1 per call for about 39,000 calls. Now, you just saved \$39,000. Your profits have jumped to \$68,000!

But Wait, There Are Still More Savings!

Throw away the cost of mailing your sales letter! That's right, with electronic marketing it is possible to eliminate this expense as well!

You'd save another \$19,500. Making your total profits \$ 87,500.

Does this get you excited? Are you beginning to see what I am so excited about? Wouldn't you love to make this kind of money yourself? Then please read on!

The only expense left is printing and mailing your book. No way around this expense, right? WRONG! My system, ON-LINE Profits Made Easy, affords you the opportunity to eliminate this expense as well.

With electronic marketing, you can place Free ads in front of the Internet's estimated 30 million users, Free ads on America Online (about 2 million users), Free ads on a large number of the 70,000 B.B.S.s or pay a whole \$3 to place an ad in front of CompuServe's 3 million! It is hard to lose at these prices!

When people reply to your ads (and using what I teach you, they definitely will), you simply e-mail your free report - your sales letter in disguise. When people order, you can e-mail them the information. That is the present and future of marketing.

Now, just take a minute to imagine what it would be like to make 1,950 sales at \$49.95 each. Your expenses are close to zero and you earn profits of about \$97,000 - pure profit. Wouldn't this be fantastic! How could it change your life?

I DON'T EXPECT YOU TO BELIEVE A WORD OF WHAT I'M SAYING.

Heck! I sometimes have to kick myself to make sure I'm not dreaming. Is it for real? "Impossible," you say? It's something that exist only in one of your dreams, right?

At one time, I could have felt the same way myself. But what I learned is amazingly simple. There is money to be made. Anyone can do it in just a few hours a week from the comfort of their own home!

No more need to miss Little League games or school plays or any family events. Let someone else fight the traffic during rush hour. You can stay home and have time to golf, shop, fish or whatever it is you like to do.

Listen, I have studied hundreds of electronic marketing campaigns. I have spent the past months running ads on-line, learning what works and why.

Now that you understand just how easy it is, why do you need me? Because you still need to learn the secrets and tips to ensure that you have products or services that sell and that you know how to market them. There are methods that work and methods that won't.

Plus, I offer you the opportunity to work directly with one of the most successful on-line marketers - me. I have turned my business into a step-by-step system that anyone can use.

**** I WILL GUARANTEE EVERYTHING. I KNOW IT IS HARD TO BELIEVE, BUT WHAT IF I'M RIGHT? ****

I have put together a totally new and totally exciting package entitled, ON-LINE Profits Made Easy. It is available for IBM (3.5) or MAC. It contains

everything you need to know and everything you need to do to get started making serious money immediately. All that I know will be yours:

- * What sells ON-LINE.
- * 40 of the hottest information packages that you can sell (Deluxe System only)
- * The one secret that will double the number of orders you get.
- * Exactly how to sell ON-LINE step by easy step.
- * How to write winning ads that will keep your pockets full of cash.
- * 6 essential steps for Huge ON-LINE Profits! You cannot fail!
- * Where to advertise on the Internet.
- * How to locate the Bulletin Board Systems.
- * How to sell ON-LINE when you are not allowed to sell.
- * 13 closely guarded secrets to make your ON-LINE marketing 100% more effective without costing you a penny. You won't read about these anywhere else.
- * How to start RIGHT NOW - without leaving your job, with just a few hours a week.
- * How to Live the Dream - a worry free, hassle free, home based business.
- * How to put your business on 'Auto-Pilot' and still earn Huge Profits.
- * How my complete business works with examples of my sales letters, my classified ads and my postings.

WHY AM I NOT KEEPING THIS TO MYSELF?

First, something as exciting as electronic marketing won't remain a secret for long. In fact, seminars about on-line marketing costing thousands of dollars to attend already exist.

Second, it takes nothing away from me to share with you everything I've discovered. You see, each person can apply my system to different products and services.

Finally, I remember how frustrating it is to feel trapped in a depressing job. To see others doing better and wondering, Why not me? And to send away for opportunities only to receive useless trash. So I decided to create a straight forward, guaranteed offer to help people. I get excited just knowing that anyone can use my system and generate \$1,000 per day, or more, in a home based business.

WHAT YOU WILL RECEIVE

The main manual titled: "ON-LINE Profits Made Easy."

This is not a cheap "book on disk," that will cause your eyes to strain as you stare at your computer screen trying to read it. This is a complete, hard bound manual.

Plus if you order within 4 weeks of receiving this letter (we track it by, what else, our computer) you will receive the following free gifts:

FREE GIFT #1

LISTEN CLOSELY! THIS IS AN EXTREMELY VALUABLE OPPORTUNITY SO PLEASE READ THE FOLLOWING CAREFULLY.

I am often asked by on-line entrepreneurs to do phone consultations an/or review their sales material. But I will only do so, for non-members, at \$100 a pop.

Included in your package will be three very valuable coupons.

ONE coupon allows you up to ONE HOUR of phone consultation (must be prearranged).

Two coupons allow you to send me (snail mail or e-mail) any ad, sales letter, promotional piece, etc., for my review. (Please allow 2 weeks for a response. Phone inquiries are not available for this.)

You get \$300 worth of expertise and time, FREE. All that I know will be handed to you on a silver platter!

FREE GIFT #2

A HALF YEAR SUBSCRIPTION TO MY NEWSLETTER TITLED: "THE LETTER: ON-LINE PROFITS MADE EASY."

I have found that things on-line change quickly. What worked one month may not the next. The newsletter allows me to keep you current on on-line marketing issues.

In 15-20 minutes every issue will give you crucial tips, techniques, and the latest strategies for marketing on-line!

The cost for an annual subscription is \$97. The first half year is FREE!

FREE GIFT #3

A SIX WEEK COURSE ON NAVIGATING THE INTERNET

You want to make money on-line right? Then you must learn to use the Internet. This course will, in simple terms, explain how to use newsgroups, mailing lists, the World Wide Web, and more! This course cannot be sold, so I can't put an exact value on it. I estimate its value to be at least \$200, if not more.

WANT MORE VALUE?

If you prefer, I have put together, a Deluxe system. In it you will get everything in the Basic System plus . . .

+ 40 of the hottest information reports you can sell. These reports range in size from two to thirty pages each. Many of them are on business topics such as writing ads, sales letters, business plans, etc. All of them sell like crazy on-line. You will receive full reprint rights to these reports.

And if you order before your 4 weeks are up you also get:

FREE GIFT #4 (Deluxe System Only)

A DEALERSHIP OPPORTUNITY

At your option, you can work directly with me. That's right! First I will teach you how to make money on-line, then I will help you actually do it!

When selling through your dealership, I'll handle filling your orders and collecting payments. I have a 1-800 number you can use, which is all set up. And I accept credit cards and checks. This flexibility will bring in more orders for you. And think about how much money you will SAVE in setting up your business.

I'll bet you are wondering how you get paid when using your dealership. Good question! Here is the answer.

For use with your dealership, you will receive a four digit number. Use it as an extension number. For example, in your sales letter you will write, "To order please call 1-800-555-5555 Ext. 5555." The operator will ask for an extension number when taking an order. That is how I will know to pay you. Complete instructions in your package will explain why this is the fastest and easiest way to profit on line.

FREE GIFT #5 (Deluxe System Only)

"E-MARKETING" BY SETH GODIN, CO-AUTHOR OF GUERRILLA MARKETING, THE BEST SELLING MARKETING SERIES.

This 200 page gem of a book tracks the past and the future of marketing. I refer to this book often. It is a great resource. It retails in book stores for \$14.95. You will get an electronic version absolutely FREE.

Okay now for the prices. How much would it be worth to you if I showed you how to make \$1,000 (or more) per day? \$500, \$1000, \$1,500? Your investment for everything in the Basic system is only \$97 (plus \$5.95 for shipping and handling). Or just \$147 (plus \$6.75 for shipping and handling) for everything, in the Deluxe system. Take a moment now and review everything you will receive. Look at the real value here:

Package	Separate Purchases	Basic System	Deluxe System
ON-LINE Profits Manual	\$97	\$97	\$97
Consultation Coupons	\$300	FREE	FREE
Newsletter Subscription	\$48	FREE	FREE
Internet Course	N/A	FREE	FREE
	(worth \$200)		
40 Outstanding Reports	\$187	N/A	(Only) \$50
Dealership Includes Use Of:			
Order Taking Service	\$200	N/A	FREE
Credit Card Acceptance	\$700	N/A	FREE
Fulfillment of Orders	\$200	N/A	FREE
"E-Marketing"	\$15	N/A	FREE
TOTAL VALUE	\$1,947	\$645	\$1,947
Your Price	N/A	\$97	\$147
Total Savings	N/A	\$548	N/A
Complete Package Savings	N/A	N/A	\$1,800

Either way, with the Basic or the Deluxe System you have a 90 day 'GUARANTEE!'

The system will be everything I describe and more. You will agree the system is worth far more than what you pay for it. If for any reason you not happy with it, you can return everything for a full refund.

You see, you have absolutely no risk. I only want to work with successful and happy students.

WOULD YOU LIKE MORE GOOD NEWS?

If you use either Visa, Mastercard, or Discover, you can pay half now, and the balance 45 days from NOW!

Is this amount a lot or a little? I don't know you, yet, so I can't say. Maybe this is a stretch for you, maybe it isn't. But I do know there is no other way for you to easily get a complete turnkey on-line business and make thousands of dollars. Oh, I suppose you could go at it alone. But this WILL COST you a lot more money and take a long, long time.

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It looks like you have a decision to make. You can turn your back on me and walk away. But, before you do, consider this: By requesting this report, you have shown an interest in creating a very high income in an easy, home based business. If you are sincere, walking may very well be a difficult thing to do. I'm no different than you. I have tried many plans and opportunities only to be frustrated time and time again. So I can say, from experience, my system will be one of the few, maybe only, 'true' opportunities you will receive.

You can also put it off. Go ahead, tell yourself that "someday" you' will take action to achieve your dream of independence and freedom. Someday when the timing is better. Let's be adults. You and I both know where that path leads. It leads to the "someday isle" of Fantasy Island (Do you remember the t.v. show?). You know someday I'll do this or someday I'll do that. But the someday never comes. So have the courage to either go forward or to toss this opportunity aside. There is no "in-between" choice. So make a decision and put your mind at ease!

The only other option you have is to ACT! Please follow the directions on the order form below. I hope you will join us today. On-line marketing is in its infancy and the profit potential is enormous. Those who get in early will reap the biggest profits. And I will be guiding you step by step.

If you still have questions or if you are still skeptical call me at 1-800-348-3454. I'd be happy to discuss your personal situation and see if this system is what you are looking for. After all the call is free and what is the worst that can happen: you waste a few minutes of your time. Go ahead and call, you never know, you might like what you find out!

And if you are experiencing a money crunch, don't forget the installment plan! The basic system can be split into two easy installments of only \$48.50! First Payment with the order, the second payment 45 DAYS FROM NOW!

The Deluxe system can be split into two easy payments of only \$73.50! 1st payment with the order, the 2nd payment not until 45 DAYS LATER!

I guarantee your satisfaction!
Sincerely,

Robert Serviss
President, Excel Communications

P.S. Consider this: If you make just one \$25 sale per day (7 days a week) on 145 computer Bulletin Board Systems (out of 70,000) - you are earning over \$100,000 a month! Can you make just one \$25 sale a day on 145 B.B.S.s? If so you can earn \$100,000 a month! Yes it can be done!

ORDER FORM

In Order to receive your FREE GIFTS with the order of either system you must order within 4 weeks from the date this message was sent to you. (Remember, we track this with our computer so don't delay.)

NO RISK MONEY BACK GUARANTEE!

If you are not completely satisfied with your course, simply return it within 90 days for a no questions asked full refund (less the shipping and handling).

To Enroll:

Using Visa, Mastercard, or Discover

a) Call 1-800-459-6658, Ext. 10, 24 hours a day. Do it NOW!

(For international orders call 706-854-4405, Ext. 10 Canadian orders add an additional \$5 and all other International orders add an additional \$10 for shipping and handling.)

(Note: please don't call the above 1-800 number with questions. That number does not ring in my office. The person there will only be able to take your order. I will not even get a message. I would enjoy talking with you and answering your questions but, for that please call 1-800-348-3454.)

OR

b) Mail your credit card number, expiration date and signature (please include your postal and e-mail addresses) to Excel Communications, 2169 Summer Street, Suite #115, Stamford, CT 06905. If paying by check please make it payable to Excel Communications. And please tell me if you have a MAC or IBM (3.5).

OPTIONS:

1. _____ Yes, Rob I want to make a serious money in an easy pleasant home based business. Please send me the "Basic System." Which includes the "ON-LINE Profits Made Easy," manual. And since I am ordering within four weeks of receiving this letter, please send the following free gifts.

FREE GIFT #1: FREE Consulting Coupons \$300 VALUE

FREE GIFT #2: FREE 1/2 Year Subscription

"The Letter, ON-LINE Profits Made Easy" \$48 VALUE

FREE GIFT #3 : FREE Internet Course \$200 VALUE

TOTAL VALUE OF FREE GIFTS \$548!!

\$97 (plus \$5.95 shipping and handling)

OR try our installment plan, 2 easy payments of \$48.50 (plus \$5.95 shipping and handling). Installment plan available on credit card orders only.

2. _____ Yes, Rob I want to make serious money in an easy, pleasant home based business AND I CAN CERTAINLY SEE THE VALUE IN HAVING THE 40 REPORTS TO SELL IMMEDIATELY. I also want the ability to accept credit card payments with a 1-800 number through my dealership. I realize this will increase my profits quickly. So, please send me the "Deluxe System" which includes everything in the "Basic System" plus: 40 reports to sell immediately. And since I am ordering within four weeks of receiving this letter, please send me the 3 free gifts above (that's \$548 worth of FREE gifts) plus:

FREE GIFT #4: FREE DEALERSHIP OPPORTUNITY

- INCLUDES 800 NUMBER ORDER TAKING SERVICE \$200 VALUE

- INCLUDES ABILITY TO ACCEPT CREDIT CARDS \$700 VALUE

- INCLUDES FULFILLMENT OF ORDERS \$200 VALUE

FREE GIFT #5: E-MARKETING \$15 VALUE

TOTAL VALUE OF FREE GIFTS: \$1,663!!

\$147 (plus \$6.75 shipping and handling)

OR try our installment plan, 2 easy payments of \$73.50 (plus \$6.75 shipping and handling). Installment plan available on credit card orders only.

And remember my standing offer. If you have any questions or concerns, call me at 1-800-348-3454.

c 1995 Excel Communications

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Chicago Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent, his counsel, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and no comments having been filed thereafter by interested parties pursuant to Section 2.34 of its Rules, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Robert Serviss is an individual doing business as Excel Communications with his principal office or place of business at 2169 Summer Street, Suite 115, Stamford, Connecticut.
2. The acts and practices of the respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.
3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That respondent Robert Serviss, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the "ON-LINE Profits Made Easy" business opportunity, or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity.

II.

It is further ordered, That respondent Robert Serviss, his agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of the "ON-LINE Profits Made Easy" business opportunity, or any other business opportunity, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, the past, present, or future profits, earnings, income, or sales from such business opportunity, unless at the time of making such representation respondent possesses and relies upon competent and reliable evidence that substantiates the representation.

III.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondent, or his successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation; and

B. All tests, reports, studies, surveys, demonstrations, or other evidence in his possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

IV.

It is further ordered, That respondent shall:

A. Within thirty (30) days from the effective date of this order deliver a copy of this order to each of his officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order.

B. For a period of ten (10) years from the effective date of this order deliver a copy of this order to each of his future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials or other such sales materials covered by this order, within three (3) days after the person assumes such position.

V.

It is further ordered, That from the date this order becomes final, respondent shall notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

VI.

It is further ordered, That within sixty (60) days after service of this order, and at such other times as the Commission may require, respondent shall file with the Commission a report, in writing, setting forth in detail the manner and form in which he has complied with this order.

VII.

This order will terminate on June 12, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Complaint

121 F.T.C.

IN THE MATTER OF

RANDOLF D. ALBERTSON

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3670. Complaint, June 12, 1996--Decision, June 12, 1996*

This consent order prohibits, among other things, a Michigan-based individual doing business as Wolverine Capital from misrepresenting, in advertisements for cash grant assistance programs, the number of people who are approved for grants and the services or assistance provided in obtaining grants, loans, or any other financial product or service. The consent order requires the respondent to possess competent and reliable evidence to substantiate such claims.

Appearances

For the Commission: *Nicholas Franczyk, C. Steven Baker and Charulata Pager.*

For the respondent: *Pro se.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Randolph D. Albertson, individually and doing business as Wolverine Capital ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Randolph D. Albertson is an individual doing business as Wolverine Capital. His principal office or place of business is located at 1039 Gun River Drive, Plainwell, Michigan.

PAR. 2. Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of a cash grant assistance program to the public.

PAR. 3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.