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**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ARIZONA**

Federal Trade Commission,

Plaintiff,

v.

Blue Saguaro Marketing, LLC, a Nevada  
limited liability company, also d/b/a Blue  
Saguaro Grant Program, Gera Grant,  
Government Grant Service, Grant Center, and  
Grant Resources;

Marketing Ways.com, LLC, an Arizona  
limited liability company, also d/b/a  
Amazon.com Associates Program;

Max Results Marketing, LLC, a Nevada  
limited liability company, also d/b/a  
Amazon.com Associates Program, Amazon  
Affiliate Program, Amazon Associates  
Central, Gera Grant, and Grant Strategy  
Solutions;

Oro Canyon Marketing II, LLC, an Arizona  
limited liability company;

Case No. \_\_\_\_\_

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

**[SUBMITTED UNDER SEAL]**

1 Paramount Business Services, LLC, a Utah  
2 limited liability company, also d/b/a  
3 Paramount Business Resources;

4 Stephanie A. Bateluna, individually and as an  
5 officer of Max Results Marketing, LLC;

6 Stacey C. Vela, individually and as a manager  
7 or *de facto* manager of Blue Saguaro  
8 Marketing, LLC, Max Results Marketing,  
9 LLC, Marketing Ways.com, LLC, Oro  
10 Canyon Marketing II, LLC, and Paramount  
11 Business Services, LLC;

12 Carl E. Morris, Jr., individually and as an  
13 owner and *de facto* officer of Blue Saguaro  
14 Marketing, LLC, Max Results Marketing,  
15 LLC, Marketing Ways.com, LLC, Oro  
16 Canyon Marketing II, LLC, and Paramount  
17 Business Services, LLC,

18 Defendants.

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

20 1. The FTC brings this action under Section 13(b) of the Federal Trade  
21 Commission Act (“FTC Act”), 15 U.S.C. § 53(b) and the Telemarketing and  
22 Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. §§  
23 6101-6108, to obtain temporary, preliminary, and permanent injunctive relief,  
24 rescission or reformation of contracts, restitution, the refund of monies paid,  
25 disgorgement of ill-gotten monies, the appointment of a receiver, an asset freeze,  
26 and other equitable relief for Defendants’ acts or practices in violation of Section  
27 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FTC’s Telemarketing Sales Rule  
28 (“TSR”), 16 C.F.R. Part 310, in connection with the sale and offering for sale of  
grants and home-based internet business opportunities.

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**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), 53(b), 6102(c), and 6105(b).

3. Venue is proper in this district under 28 U.S.C. §§ 1391 (b)(2), (b)(3), (c)(1), (c)(2), (c)(3), 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. The FTC is also charged with enforcement of the Telemarketing Act, 15 U.S.C. §§ 6101-6108, under which the FTC promulgated and enforces the TSR, 16 C.F.R. Part 310, which prohibits deceptive or abusive telemarketing practices.

5. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and the TSR, and to secure such equitable relief as may be appropriate in each case, including rescission or reformation of contracts, restitution, the refund of monies paid, the disgorgement of ill-gotten monies, the appointment of a receiver, and an asset freeze. 15 U.S.C. §§ 53(b), 6102(c), and 6105(b).

**DEFENDANTS**

6. Defendant Blue Saguaro Marketing, LLC (“Blue Saguaro”), also doing business as Blue Saguaro Grant Program, Gera Grant, Government Grant Service, Grant Center, and Grant Resources, is a Nevada limited liability company with a mailing address at 2541 North 11<sup>th</sup> Street, Phoenix, Arizona 85006. Blue Saguaro transacts or has transacted business in this district and throughout the United States. At times material to this Complaint, acting alone or in concert with

1 others, Blue Saguaro has advertised, marketed, and sold grants to consumers  
2 throughout the United States.

3 7. Defendant Marketing Ways.com, LLC (“Marketing Ways”), also  
4 doing business as Amazon.com Associates Program, is an Arizona limited liability  
5 company with its principal place of business at 9404 West Wilshire, Phoenix,  
6 Arizona 85037. Marketing Ways transacts or has transacted business in this  
7 district and throughout the United States. At times material to this Complaint,  
8 acting alone or in concert with others, Marketing Ways has advertised, marketed,  
9 and sold home-based internet business opportunities to consumers throughout the  
10 United States.

11 8. Defendant Max Results Marketing, LLC (“Max Results”), also  
12 doing business as Amazon.com Associates Program, Amazon Affiliate Program,  
13 Amazon Associates Central, Gera Grant, and Grant Strategy Solutions, is a  
14 Nevada limited liability company with its principal place of business at 530 East  
15 McDowell Road, Suite 107-310, Phoenix, Arizona 85004. Max Results transacts  
16 or has transacted business in this district and throughout the United States. At  
17 times material to this Complaint, acting alone or in concert with others, Max  
18 Results has advertised, marketed, and sold grants and home-based internet  
19 business opportunities to consumers throughout the United States.

20 9. Defendant Oro Canyon Marketing II, LLC (“Oro Canyon II”) is an  
21 Arizona limited liability company with its principal place of business at 857 South  
22 Rancho, Mesa, Arizona 85208. Oro Canyon II transacts or has transacted business  
23 in this district and throughout the United States. At times material to this  
24 Complaint, acting alone or in concert with others, Oro Canyon II has advertised,  
25 marketed, and sold grants to consumers throughout the United States.

26 10. Defendant Paramount Business Services, LLC (“Paramount”), also  
27 doing business as Paramount Business Resources, is a Utah limited liability  
28

1 company with its principal place of business at 168 North 100 East, Suite 250, St.  
2 George, Utah 84770. Paramount transacts or has transacted business in this  
3 district and throughout the United States. At times material to this Complaint,  
4 acting alone or in concert with others, Paramount has advertised, marketed, and  
5 sold grants to consumers throughout the United States.

6 11. Defendant Stephanie A. Bateluna is an officer of Max Results. At  
7 times material to this Complaint, acting alone or in concert with others, she has  
8 formulated, directed, controlled, had the authority to control, or participated in the  
9 acts and practices set forth in this Complaint. Defendant Bateluna resides in this  
10 district and, in connection with the matters alleged herein, transacts or has  
11 transacted business in this district and throughout the United States.

12 12. Defendant Stacey C. Vela is a manager or *de facto* manager of Blue  
13 Saguario, Marketing Ways, Max Results, and Paramount. At times material to this  
14 Complaint, acting alone or in concert with others, she has formulated, directed  
15 controlled, had the authority to control, or participated in the acts and practices set  
16 forth in this Complaint. Defendant Vela resides in this district and, in connection  
17 with the matters alleged herein, transacts or has transacted business in this district  
18 and throughout the United States.

19 13. Defendant Carl E. Morris, Jr., is a manager, beneficial owner, and *de*  
20 *facto* principal of Blue Saguario, Marketing Ways, Max Results, and Oro Canyon  
21 II, and the mastermind behind the common enterprise. At times material to this  
22 Complaint, acting alone or in concert with others, he has formulated, directed,  
23 controlled, had the authority to control, or participated in the acts and practices set  
24 forth in this Complaint. Defendant Morris resides in this district and, in  
25 connection with the matters alleged herein, transacts or has transacted business in  
26 this district and throughout the United States.

**COMMON ENTERPRISE**

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14. Defendants Blue Saguaro, Marketing Ways, Max Results, Oro Canyon II, and Paramount (collectively “Corporate Defendants”) have operated as a common enterprise while engaging in the deceptive acts and practices and other violations of law alleged below. Corporate Defendants have conducted the business practices described herein through an interrelated network of companies that have common ownership, officers, managers, business functions, employees, office locations, mailing addresses, and phone numbers, and that commingled funds. Corporate Defendants, in numerous instances, use a common toll-free number ((800) 244-3842), but identify themselves orally or in writing as representing different organizations, including, BL & DTS, Atlantic Commerce Tech, Business Development Center, Cenex Hydra Grant Services, Coastal Grant Services, DTS Consulting, Fast Grants, Federal Government Grant Assistance Center, Gera Grant, GPS Industries, Grant Assist Center, Grant Assist Resource Center, Grant Assistance Services, Grantbabylon, Grants Assistance Center, (The) Grant Center, Grant Solutions, Grant Strategic Center, Grant Strategy Solutions, Grant Strategies and Solutions, GSP Industries, Hydragrant, Monarch, Senior Debt Relief Grant, and US Federal Grant Department.

15. Because the Corporate Defendants have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged below. Defendants Stephanie Bateluna, Stacey Vela, and Carl Morris have formulated, directed, controlled, had the authority to control, or participated in the acts and practices of the Corporate Defendants that constitute the common enterprise.

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**COMMERCE**

16. 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**

**Amazon Associates Website Scheme**

17. Beginning no later than the Fall of 2014, and continuing thereafter, Defendants have telemarketed home-based internet business opportunities to consumers throughout the United States.

18. Defendants first contact consumers by telephone from various call centers. During the initial sales calls, Defendants, in numerous cases, represent that they are, or are representatives of, Amazon. In exchange for fees ranging from several hundred to several thousands of dollars, Defendants offer to create a website for consumers linked to Amazon.com, claiming that consumers will immediately receive thousands of dollars each month in commissions on Amazon purchases made through the website. Defendants also offer to advertise the consumer’s Amazon website via multiple means, including through radio and Youtube, and to utilize search engine optimization to drive customers to the consumers’ Amazon affiliate website.

19. Relying on Defendants’ representations, consumers wire funds or mail checks to Defendants, or authorize Defendants to charge their credit cards or debit their checking accounts.

20. In reality, Defendants are not, and do not represent, Amazon, and do nothing more than create websites for consumers that are indistinguishable from those they create for other consumers. In numerous cases, these websites do not even function. Furthermore, Defendants fail to effectively advertise, and drive no

1 customers to, the website. Consumers who have paid hundreds, and in some cases  
2 thousands, of dollars based on Defendants' assurances of substantial income,  
3 receive no income from the websites.

4 21. In numerous instances, when consumers call to complain that the  
5 website does not work, or that they have made no money, Defendants ignore their  
6 calls and fail to refund the consumers' money.

### 7 **Grant Scheme**

8 22. Beginning in approximately the middle of 2015 and continuing to  
9 the present, Defendants, in numerous cases posing as the government, have  
10 telemarketed grants to the consumers.

11 23. Working from call centers in the Phoenix area, Defendants contact  
12 consumers by telephone and represent that they are eligible for and – with  
13 Defendants' assistance will receive – grants from the government and private  
14 corporations to support home improvements, medical costs, and repayment of  
15 debt, among other personal needs. To allegedly determine the amount for which  
16 the consumer is eligible, Defendants ask for information regarding consumers'  
17 income, employment, age, veteran status, home value and equity, savings and  
18 retirement funds, debt, drivers' license and credit and debit card numbers. In  
19 numerous of these instances, Defendants tell elderly consumers, veterans, and  
20 consumers with large amounts of debt, that they are eligible for substantial grants  
21 based on these qualifications alone.

22 24. Defendants tell virtually all consumers they are eligible for grants  
23 ranging from tens of thousands of dollars to hundreds of thousands of dollars, but  
24 must pay thousands of dollars upfront to receive the grants, promising that these  
25 amounts will be refunded through the grants, which consumers will allegedly  
26 receive within 60 to 90 days.





1 (b) consumers who purchase an Amazon Associates website and  
2 advertising package from Defendants will, or are likely to, earn substantial  
3 income.

4 31. In truth and in fact,

5 (a) they are not, and do not represent, Amazon; and

6 (b) consumers who purchase an Amazon Associates website and  
7 advertising package from Defendants will not, or are not likely to, earn substantial  
8 income.

9 32. Therefore, Defendants' representations set forth in Paragraph 30 are  
10 false and misleading and constitute deceptive acts or practices in violation of  
11 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

12  
13 **COUNT II**

14 **Grant Scheme**

15 33. In numerous instances, in connection with the marketing, offering  
16 for sale or sale of grants, Defendants represent, directly or indirectly, expressly or  
17 by implication, that in exchange for upfront fees of thousands to tens of thousands  
18 of dollars, consumers will, or are likely to, receive government and corporate  
19 grants ranging from thousands to hundreds of thousands of dollars.

20 34. In truth and in fact, consumers who pay these upfront fees do not, or  
21 are not likely to, receive government or corporate grants of any amount.

22 35. Therefore, Defendants' representation set forth in Paragraph 33 is  
23 false and misleading and constitutes a deceptive act or practice in violation of  
24 Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

**DECEPTIVE TELEMARKETING CALLS**  
**IN VIOLATION OF THE TSR**

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3 36. Congress directed the FTC to prescribe rules prohibiting abusive and  
4 deceptive telemarketing acts or practices pursuant to the Telemarketing Act, 15  
5 U.S.C. §§ 6101-6108, in 1994. The FTC adopted the original TSR in 1995,  
6 extensively amended it in 2003, and amended certain sections thereafter. 16  
7 C.F.R. Part 310.

8 37. Defendants are “seller[s]” or “telemarketer[s]” engaged in  
9 “telemarketing” as defined by the TSR, 16 C.F.R. §§ 310.2(aa), (cc), and (dd).

10 38. The TSR prohibits sellers and telemarketers from misrepresenting,  
11 directly or by implication, in the sale of goods or services, any material aspect of  
12 the performance, efficacy, nature, or central characteristics of goods or services  
13 that are the subject of a sales offer. 16 C.F.R. § 310.3(a)(2)(iii). Likewise, the  
14 TSR prohibits sellers and telemarketers from making any false or misleading  
15 statements to induce a person to pay for goods or services. 16 C.F.R. §  
16 310.3(a)(4).

17 39. Pursuant to Section 3(c) of the Telemarketing Act, 15 U.S.C. §  
18 6102(c), and Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation  
19 of the TSR constitutes an unfair or deceptive act or practice in or affecting  
20 commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

**COUNT III**

21 40. In numerous instances, in connection with the advertising,  
22 telemarketing, promoting, offering for sale, or sale of home-based internet  
23 business and grant opportunities, Defendants have misrepresented, directly or by  
24 implication, that:

- 25 (a) they are, or that they represent, Amazon;
- 26  
27  
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1 (b) consumers who purchase an Amazon Associates website and  
2 advertising package from Defendants will, or are likely to, earn substantial  
3 income; or

4 (c) consumers will, or are likely to, receive government and  
5 corporate grants ranging from thousands to hundreds of thousands of  
6 dollars.

7 41. The acts and practices of Defendants described in Paragraph 40 are  
8 deceptive telemarketing acts or practices that violate the TSR, 16 C.F.R.  
9 §§ 310.3(a)(2)(iii) and (a)(4).

10  
11 **CONSUMER INJURY**

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

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

18 43. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this  
19 Court to grant injunctive and such other relief as the Court may deem appropriate  
20 to halt and redress violations of any provision of law enforced by the FTC. The  
21 Court, in the exercise of its equitable jurisdiction, may award ancillary relief,  
22 including rescission or reformation of contracts, restitution, the refund of monies  
23 paid, and the disgorgement of ill-gotten monies, to prevent and remedy any  
24 violation of any provision of law enforced by the FTC.

25 **PRAYER FOR RELIEF**

26 Wherefore, Plaintiff FTC, pursuant to Section 13(b) of the FTC Act, 15  
27 U.S.C. § 53(b), and the Court's own equitable powers, requests that the Court:  
28

