

Case Study Protecting Yourself From Fraud Attempts Essay Assignment

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In this week's case study, we learn about a case where the Federal Trade Commission sued a company for over sixteen million dollars for deceptive marketing to consumers in the United States. However, two people from that company would later be sued over fourteen million dollars for a scheme that they constructed months following the original court ruling. So, how did we get here? It all goes back to when a company known as Suntasia Marketing Inc, which was a telemarketing company, was scamming customers millions of dollars. The company would call you and tell you that you could have two nights free at a hotel all expenses paid if you would subscribe to their fourteen-day free trial. Unfortunately, this was in fact a scam and people who had subscribed to the free trial would suddenly find that money had been taken from their bank account without their authorization. According to an article by the FTC (FTC, 2009), Suntasia would have been given access to their banking information because of the victims giving their banking info to the company by signing up for the trial and were gaining millions of dollars in profit. One day, the Federal Trade Commission, which is responsible for protecting the public from these kinds of corporations, had collected over five thousand complaints stemming from this company and filed a lawsuit against Suntasia for these deceptive practices. According to Casetext (Casetext, 2007), companies like Co-Compliance LLC, FTN Promotions Inc, and Strategia Marketing LLC operate at the same place as Suntasia in Largo, FL, and were owned by the same people in order to be more effective in scamming other potential victims. Suntasia was accused of fraud due to overwhelming evidence that supports the FTC's claims of deceptive and fraudulent behaviors. Fortunately, the owners of the companies agreed to pay over sixteen million dollars to settle the charges. The FTC was able to pay over fifty million dollars in restitution for the victims of these deceptive marketing practices. Unfortunately, the trouble did not end there. Two of the fourteen members of the people who owned the telemarketing

companies decided to craft another scheme to take advantage more naïve consumers. According to another article by the FTC (FTC, 2014), Bryon Wolf and Roy Eliasson, who had been obliged to pay over eleven million dollars for their role in the previous scheme, had decided to use Membership Services, LLC to deceive people once again by falsely soliciting by phone or internet to recent loan applicants and tricked them into believing that they could provide them with loans, cash advances, and lines of credit. Unfortunately for the two individuals, not many people used this and people who did use it cancelled shortly after they found out that the company had debited their accounts. Wolf and Eliasson soon found their way back into court and were charged with showing contempt for the previous court order because they had done actions for what they had been restricted from doing due to their previous conduct and were showing contempt for the consumers targeted. The two criminals were forced to pay over fourteen million dollars which had been the amount they had stolen in their second scheme. Today, these court cases serve to us as a lesson from what could happen when a telemarketing company scams people and the consequences for doing so. In the second case concerning Wolf and Eliasson, the ruling presented to us the severe consequences of disobeying an FTC order. However, we as consumers must always stay vigilant to scammers who are trying to market something to us that seems appealing. If it sounds too good to be true, then it is too good to be true, and that is what we have seen through the actions of Suntasia and the people who owned the telemarketing corporations. By staying alert to these kinds of false promises, we are protecting ourselves from any sort of fraud that might occur in our life and are securing our financial information from people who wish to take advantage of it. It is up to us to protect our financial resources from people who want to steal it for their personal gain.

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