



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

For Release

FTC Challenges Schemes That Target or Affect Senior Citizens

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The Federal Trade Commission has taken legal action against two deceptive schemes that targeted or affected senior citizens with phony sweepstakes offers and bogus computer technical support services that tricked consumers out of tens of millions of dollars.

The two cases were brought in conjunction with an [enforcement sweep led by the U.S. Department of Justice](#) aimed at stopping illegal schemes that exploit older Americans.

In the first case, the FTC and the State of Missouri charged two men and their sweepstakes operation with bilking tens of millions of dollars from people throughout the United States and other countries.

The FTC and Missouri allege that the defendants, doing business under dozens of different names, sent tens of millions of personalized mailers falsely indicating that the recipient had won or was likely to win a substantial cash prize, as much as \$2 million, in exchange for a fee ranging from \$9 to \$139.99.

The defendants distribute three types of phony mailers:

- notices such as "Congratulations, You Have Just Won \$1,230,946.00," when the consumer hasn't actually won anything;
- fliers that claim the recipient can win a substantial cash prize by answering a simple arithmetic question and paying a registration fee, but that don't disclose that there are multiple rounds to the "game of skill," that the consumer will have to pay additional fees to advance to each round, and that in order to win, the consumer will have to answer a final, complex puzzle that few people, if any, can solve; and
- mailers that appear to be notices that the consumer has won a prize of \$1 million or more, but that are really just newsletter subscription solicitations.

Many people, including seniors, pay the fees several times before realizing they have been deceived. Since 2013, consumers have lost more than \$110 million to the defendants' scheme.

In the second case, the FTC alleges that the defendants worked with Indian telemarketers to trick older Americans into buying bogus technical support services. Specifically, the defendants set up business accounts for the telemarketers, collected and deposited consumer payments, and provided a gloss of legitimacy to the scheme.

The telemarketers, claiming to be from well-known technology companies, told people that hackers would soon break into their computers and rob their bank accounts, and that they should act right away by purchasing expensive security software. According to the FTC, the telemarketers claimed that the software was affiliated with the U.S. government, but in reality it was worthless or old, and available elsewhere for free or at a much lower cost.

While remotely connected to consumers' computers, purportedly to install security software, the telemarketers also took consumers' personal information, the FTC alleges. They charged up to tens of thousands of dollars, and later concocted additional phony reasons why the consumers needed more software to avoid new cyberthreats. Several people paid more than \$50,000, and one person paid almost \$400,000 during a period of several years, often utilizing accounts set up by the defendants.

The defendants in the first case are Kevin R. Brandes; William J. Graham; Next-Gen Inc., also doing business as Award Notification Services, Cash Claim Advisors, Central Award Distribution, International Award Services, National Award Commission, Prize Notification Services Foundation, and Security Dispatch Ltd.; Westport Enterprises Inc., also d/b/a Award Prize Advisory, Award Review Board, Cash Claim Advisors, National Awards Commission, and Security Dispatch Ltd.; Opportunities Unlimited Publications Inc., also d/b/a Entertainment Awards Center, International Award Payment Center, North American Awards Center, and Puzzle Mania; Opportunities Management Co., Summit Management Team LLC, Contest America Publishers Inc., also d/b/a Entertainment Award Company and International Awards Payment Center; Reveal Publications LLC, also d/b/a National Research Company, Fortune Research Bureau and Financial Report Services; AOSR Corporation, formerly known as Subscription Reporter Corporation, f/k/a Sweepstakes Reporter Co., Inc., also d/b/a American Sweepstakes Publisher and National Bureau; Lighthouse FLA Enterprises LLC; and Gamer Designs LLC. They are charged with violating the FTC Act and the Missouri Merchandising Practices Act.

The FTC appreciates the assistance of these entities in this case: the Better Business Bureau of Greater Kansas City, the Canadian Anti-Fraud Centre, the U.S. Postal Inspection Service, the U.K. National Trading Standards Scams Team, the Kansas Attorney General's Office, and the Utah Attorney General's Office.

The defendants in the second case are Parmjit Singh Brar, Genius Technologies LLC, and Avangatee Services LLC. They are charged with violating the FTC Act and the Telemarketing Sales Rule.

The Commission vote authorizing the staff to file the [complaint](#)  and proposed temporary restraining order against the Next-Gen defendants was 2-0. The documents were filed in the U.S. District Court for the Western District of

the next set of defendants was 2-0. The documents were filed in the U.S. District Court for the Western District of Missouri, Western Division, on February 20, 2018.

The Commission vote authorizing the staff to file the [complaint](#) ^{PDF} against Parmjit Singh Brar, Genius Technologies, LLC, and Avangate Services, LLC was 2-0. It was filed in the U.S. District Court for the Northern District of California, San Francisco Division, on February 21, 2018.

NOTE: The Commission files a complaint when it has “reason to believe” that the law has been or is being violated and it appears to the Commission that a proceeding is in the public interest. The case will be decided by the court.

The Federal Trade Commission works to promote competition, and [protect and educate consumers](#). You can [learn more about consumer topics](#) and file a [consumer complaint online](#) or by calling 1-877-FTC-HELP (382-4357). Like

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Press Release Reference

[Operators of Sweepstakes Scam Will Forfeit \\$30 Million to Settle FTC Charges](#)

[FTC Reaches Settlement with Defendant Related to Tech Support Scam](#)

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