



FTC Halts Elusive Business Opportunity Scheme

September 26, 2013

U.S., Canadian Consumers Lost More Than \$6 Million

FOR RELEASE

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At the Federal Trade Commission's request, a federal court has halted an elusive business opportunity scheme that allegedly conned more than \$6 million from American and Canadian consumers. The FTC has alleged that the defendants falsely promised consumers that they could make money by referring merchants in their area to the defendants' non-existent money-lending service.

The court froze the defendants' assets and appointed a receiver to take control of the operation, pending litigation. The FTC seeks to permanently shut down the operation and return money to consumers.

The FTC's complaint, filed in August 2013, names 20 individuals and eight companies as defendants in the case against the enterprise, which started out doing business under the name "Money Now Funding." To avoid detection by law enforcement, they often changed product names, office locations, and merchant identities, at one point changing the company's name to "Cash4Businesses."

According to the FTC, the defendants falsely claimed consumers would earn up to \$3,000 per month by referring small businesses to the defendants to obtain an average loan or cash advance of \$20,000, and that they could operate a profitable business from their home. Act quickly, they said, or the opportunity would go to someone else. Consumers paid from \$299 to \$499 to buy the business opportunity.

The FTC also charges that after the defendants allegedly promised consumers assistance in finding referrals in their area, the defendants then told consumers that, to succeed, they needed to buy business leads, that is, lists of "high quality" or "pre-approved" merchants supposedly obtained from well-known lenders. The leads provided to consumers were nothing but random names and email addresses, many with no apparent connection to any business. The total charge for the so-called leads often exceeded \$10,000, and some consumers paid tens of thousands of dollars.

The FTC has alleged that the defendants violated the FTC Act by misrepresenting that consumers would earn substantial income, and violated the agency's Telemarketing Sales Rule by calling phone numbers listed on the National Do Not Call Registry, calling consumers who had told them not to call, repeatedly calling consumers to annoy them, using obscenities and threats, and failing to pay the Registry access fee. The FTC also charged the defendants with violating the Commission's Business Opportunity Rule, which requires business opportunity sellers to provide specific information to help consumers evaluate a business opportunity, and prohibits sellers from making earnings claims without substantiation.

On August 5, 2013, at the FTC's request, the federal district court for the District of Arizona issued a temporary restraining order against all defendants, freezing assets, and appointing a receiver over the corporate entities. The court entered a preliminary injunction on August 19, 2013 against all the corporate entities and fifteen of the individual defendants, including Lukeroy Rose and Lance Himes. On September 13, the court entered a preliminary injunction against defendants Cordell Bess, Clinton Rackley, and Ronald W. Hobbs.

The corporate defendants are Money Now Funding LLC, also known as Money Now Funded, Cash4Businesses, and CashFourBusinesses; Rose Marketing LLC; DePaola Marketing LLC; Affiliate Marketing Group LLC; Legal Doxs LLC, a/k/a First Business LLC; US Doc Assist LLC, a/k/a First Business LLC; Affinity Technologies LLC; and Marketing Expert Solutions LLC.

The individual defendants are Lukeroy K. Rose, a/k/a Luke Rose; Cordell Bess, a/k/a Blaine Thompson, also doing business as JJB Marketing; Solana DePaola; Jennifer Beckman; William D. Claspell, a/k/a Bill Claspell; Richard Frost, a/k/a Richard Strickland; Dino Mitchell, a/k/a Dino Jones; Clinton Rackley, a/k/a Clinton Fosse; Lance Himes, a/k/a Lance R. Himes, a/k/a Raymond L. Himes, a/k/a Lance Haist; Leary Darling; Donna F. Duckett, also d/b/a D&D Marketing Solutions; Della Frost, also d/b/a ZoomDocs and Zoom Docs LLC; Christopher Grimes, also d/b/a Elite Marketing Strategies; Alannah M. Harre, also d/b/a National Marketing Group; Ronald W. Hobbs, a/k/a Ron Hobbs, also d/b/a Ron Hobbs & Associates and Sales Academy USA LLC; Janine Lilly, also d/b/a Doc Assistant; Michael McIntyre, also d/b/a McIntyre Marketing; Benny Montgomery, also d/b/a Montgomery Marketing; Virginia Rios, also d/b/a V&R Marketing Solutions; and Kendrick Thomas, also d/b/a KT Advertising.

The Commission acknowledges the assistance of the U.S. Postal Inspection Service, the Oregon Department of Justice, and the Better Business Bureau of Central, Northern, and Western Arizona.

The Commission vote authorizing the staff to file the complaint was 4-0. The complaint was filed in the U.S. District Court for the District of Arizona.

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 for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online Complaint Assistant or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 2,000 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's website provides free information on a variety of consumer topics. Like the FTC on Facebook, follow us on Twitter, and subscribe to press releases for the latest FTC news and resources.

PRESS RELEASE REFERENCE:

[Two Defendants Settle Allegations in 'Money Now Funding' Credit Card Charge Laundering Scheme](#)

[FTC Returns Money to Victims of Business Opportunity Scheme](#)

[FTC Stops Elusive Business Opportunity Scheme](#)

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