

**UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION**

_____		)	
In the Matter of		)	
		)	
SHERMAN G. SMITH,		)	DOCKET NO. C-3668
individually and doing business		)	
as STARR COMMUNICATIONS		)	
_____		)	

**COMPLAINT**

The Federal Trade Commission, having reason to believe that Sherman G. Smith, individually and doing business as Starr 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 ONE:** Respondent Sherman G. Smith is an individual doing business as Starr Communications. His principal office or place of business is located at 78 West Broadway, No. 2007 North, Salt Lake City, Utah 84101.

**PARAGRAPH TWO:** Respondent is engaged in the advertising, promotion, offering for sale, sale, and distribution of the "U.S Government Tracer Business Program" to the public.

**PARAGRAPH THREE:** 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.

**PARAGRAPH FOUR:** Respondent has disseminated or has caused to be disseminated advertisements, including advertisements through the Internet, for the "U.S. Government Tracer Business Program." The advertisements include, but are not necessarily limited to, the attached Exhibit 1, which states, in part:

Would You Like To Make \$800 - \$4,800 Per Week Or More,  
Working At Home? Well you can!

\* \* \*

You can help people get refunds due them after they've paid off their mortgages. It's extremely easy! You can do it from home as an Independent U.S. Government Tracer.

\* \* \*

There's no shortage of refund recipients. I've been a "Govt. Tracer" since 1989, making an average of \$5,423.72 per month. And I do this mostly part time!!! ... about 4 hours a day, 3 to 4 days a week.

\* \* \*

I'll show you how to make from \$200 to as much as \$1,200 every time you help someone get their money back.

\* \* \*

The average refund is \$800.00 to \$1,500.00, which makes your 20% - 30% fee equal to \$240.00 to \$400.00. ... The highest refunds are around \$4,000.00 your fee would be around \$1,200.00.

**PARAGRAPH FIVE:** 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 "U.S. Government Tracer Business Program" will generally achieve.

**PARAGRAPH SIX:** In truth and in fact, the amount of money represented by these statements is not representative, or typical, of what individuals who purchase the "U.S. Government Tracer Business Program" will generally achieve. Therefore, the representation set forth in PARAGRAPH FIVE was, and is, false and misleading.

**PARAGRAPH SEVEN:** 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.

**PARAGRAPH EIGHT:** 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.

**PARAGRAPH NINE:** 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.

THEREFORE, the Federal Trade Commission this 12th day of June 1996, has issued this complaint against respondent.

By the Commission.

Donald S. Clark  
Secretary

**SEAL:**