Attorney General Ellen F. Rosenblum From:

To:

Subject: AG Rosenblum Runs Nationwide Magazine Subscription Scam Out of Business; Settles Lawsuit for \$3 Million

Tuesday, June 23, 2015 11:52:34 AM Date:





Oregon Department of Justice FINANCIAL FRAUD/CONSUMER PROTECTION SECTION

SCAM ALERT

AG Rosenblum Runs Nationwide Magazine Subscription Scam Out of Business; **Settles Lawsuit for \$3 Million**

Attorney General Ellen Rosenblum today announced a \$3 million settlement and an agreement from the White City, Oregon enterprise that operated a fraudulent nationwide subscription scam to permanently stop engaging in the newspaper or magazine subscription business. According to the Assurance of Voluntary Compliance (AVC), which is not an admission guilt, filed in Marion County today the enterprise will also provide up to \$500,000 in restitution to eligible Oregon consumers who overpaid or did not receive their magazines. As part of the restitution program, seniors will also receive refunds for subscriptions that were



Attorney General Ellen Rosenblum

longer than three years. Service fees will also be refunded to Oregonians who have previously received refunds.

In March, the Attorney General filed a racketeering and unlawful trade practices lawsuit against the 19 companies and 9 individuals involved in the White City enterprise.

"This was a sophisticated operation that generated millions of dollars each year from consumers across the country who thought they were doing business with a reputable magazine or newspaper publisher, but were instead working with a company that made its money by scamming them," said Attorney General Rosenblum. "It's a particular embarrassment to the legitimate Oregon business community when national companies based here don't play by the rules. The only option was to shut them down-and we have."

The solicitations mailed by the White City enterprise looked like invoices from a magazine or newspaper publisher, but were actually invoices from a third-party source. Many unsuspecting consumers assumed they were paying the "lowest newsstand price possible", when in fact the prices were inflated significantly.

"If you think you have been the victim of this scam, we want to hear from you. Please call or email the Oregon DOJ consumer complaint hotline-you may be entitled to money back," said Attorney General Rosenblum. "You can reach us at 1-877-877-9392, or email us at help@oregonconsumer.gov."

Among the named defendants in the Oregon settlement are Liberty Publishers Service, Inc., Express Publishers Services, Inc., Associated Publishers Network, Inc., Publishers Payment Processing, Inc., Jeffrey Hoyal, Lydia Pugsley and Noel Parducci.

Oregon's settlement followed a joint investigation with New York, Florida, Texas, Missouri, Wisconsin and Nevada.

The AVC can be found here.



This email was sent to by attorneygeneral@doj.state.or.us | Update Profile/Email Address | Rapid removal with SafeUnsubscribe $^{\text{TM}}$ | Privacy Policy.



Oregon Attorney General Ellen Rosenblum | 1162 Court Street, NE | Salem | OR | 97301