



For Immediate Release
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MADIGAN SETTLES WITH COMPANIES THAT FALSELY PROMISED TO HELP CONSUMERS ESTABLISH INTERNET BUSINESSES

Chicago – Attorney General Lisa Madigan today announced a \$405,000 settlement with StoresOnline, Inc. and Galaxy Mall, Inc., two Utah-based companies that offered assistance in establishing online business ventures but failed to fully provide the assistance they promised. The monetary settlement will provide refunds to the aspiring business owners who expected to receive technical support, special payment mechanisms, and training courses to fully succeed at launching an online business.

Attorney General Madigan’s lawsuit alleged that StoresOnline and Galaxy Mall, Inc. promised to provide the start up assistance during an eight-hour training session that included sales pitches and testimonials, as well as statements about how simple the products are to use and that the consumer would not need computer or business experience to be successful. According to Madigan’s complaint, consumers each paid more than \$2,600 for these services, but the two companies failed to provide the technical support and services proposed.

Consumers should remain wary of these kinds of ‘free lunch’ sales pitches that promise to produce easy money from online businesses,” Attorney General Madigan said. “My office will continue to aggressively pursue unscrupulous companies who prey on the ambitions of consumers and take their hard-earned money, only to leave them with nothing to show for it.”

In addition to the monetary settlement, the agreement requires the companies – going forward – to make certain fee and service disclosures and prevent them from giving customers false information about the products offered.

Specifically, the settlement requires the businesses to identify the following information in any solicitations or promotional materials for training sessions and online services:

- The name and business address of the entity sending the solicitation or promotional mailer,
- The name of the entity or entities presenting the training session, That consumers will be solicited to purchase the companies’ products at the training session, and
- Any business relationship between StoresOnline, Galaxy Mall and any other business referenced in promotional materials.

The settlement also prohibits StoresOnline and Galaxy Mall from falsely representing that:

- Their products are free, easy to use or designed for use by novice business people or computer users,
- Their products can be used without unrestricted access to a computer and the Internet,
- The companies will provide all necessary customer support,
- A specific refund policy is in place unless the policy is clearly and conspicuously disclosed at the time of sale,
- No contractual, “partnering” or other relationship exists between StoresOnline, Galaxy Mall or any other third-party coaching or mentoring service to which they refer consumers.

Further, the settlement prohibits the companies from failing to honor a timely cancellation request or from requiring the consumer to make multiple contacts to cancel their service. As part of the agreement, the defendants have denied all allegations of wrongdoing.

To qualify for a refund, affected consumers must be Illinois residents and have made a purchase from one of the companies after Jan. 1, 2003. Consumers who believe they are entitled to a refund should request a claim form and claim instructions by mail from the Illinois Attorney General, StoresOnline Claim Form Request, 1001 East Main Street, Carbondale, IL 62901. The claim form must be completely filled out, and any additional required documents must be returned to the Carbondale address by no later than Aug. 16, 2008.

Madigan’s office received complaints against the defendants from consumers who live in Madison, Cook, Lake, Kane, Rock Island, Winnebago, Peoria, Sangamon, and Kankakee Counties.

Assistant Attorney General Jeffrey Feltman handled the case for Madigan’s Consumer Fraud Bureau.

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