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January 28, 2013

**MADIGAN JOINS FTC, STATES TO SHUT DOWN GLOBAL PYRAMID SCHEME**

**Chicago** — Joining the U.S. Federal Trade Commission (FTC) and Attorneys General from Kentucky and North Carolina, Attorney General Lisa Madigan today announced legal action against Fortune Hi-Tech Marketing (FHTM), an alleged global pyramid scheme operating since 2001 from its corporate headquarters in Lexington, Ky. The headquarters and a warehouse in Danville, Ky., were seized and secured Monday morning by investigators. A receiver appointed by the U.S. District Court for the Northern District of Illinois now has possession of FHTM's assets.

"The perpetrators of this pyramid scheme promised big returns but instead delivered significant losses for thousands of families in Illinois and all across the country," Madigan said. "In collaborating with our state and federal partners, we're seeking to bring the full force of the law against this entity to ensure that it is put out of business for good."

In conjunction with the FTC and the Attorneys General of Kentucky and North Carolina, Attorney General Madigan filed a lawsuit on Jan. 24 in federal court against FHTM and its principal operators – Paul Orberson, president, and Thomas Mills, vice president. A temporary restraining order was issued against the company requiring FHTM to cease operations. The receiver, which now controls FHTM's assets, will report its findings to the court after a thorough review of FHTM's finances and business model.

"After our office began reviewing the documents, we believed that Fortune Hi-Tech Marketing was operating a massive pyramid scheme that involved more than 100,000 people across the United States and in several other countries. We think damage to consumers could be in the hundreds of millions of dollars," said Kentucky Attorney General Jack Conway. "Today's actions are the beginning of the end for one of the most prolific pyramid schemes operating in North America."

The joint federal and state lawsuit alleges that consumers paid a \$249 fee to join FHTM. Members sold satellite television service, home security systems, beauty products and other consumer goods and services. In promotional materials and at recruitment events, consumers allegedly were told they could "get rich" if they sold FHTM-affiliated products. But unlike legitimate multi-level marketing programs, FHTM distributors had no incentive to sell products. For example, according to the lawsuit, FHTM distributors only received pennies in commission for selling multi-year service contracts but received substantial payments for every new FHTM member they signed up. FHTM's promotional presentations and materials focused almost entirely on recruiting new members rather than selling products.

The FTC and states are seeking permanent injunctive relief prohibiting the illegal operations of FHTM, along with civil penalties, damages and restitution for consumers. Consumers or FHTM employees with questions about the lawsuit should call the FTC's hotline at (202) 326-2643. The hotline has information available in English and Spanish.

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