1 i.JUSTICE LAW, P.C. THE HONORABLE FRED VAN 2 PO Box 25817 SICKLE Seattle, Washington 98165-1317 3 Phone/Fax 888-839-3299 4 5 6 7 IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF WASHINGTON 8 AT RICHLAND 9 JAMES S. GORDON, JR, **NO.** CV-04-5125-FVS 10 a married individual; Plaintiff, AMENDED FIRST AMENDED 11 COMPLAINT FOR DAMAGES UNDER 12 V. THE CAN-SPAM ACT OF 2003 [15 U.S.C. §7701, et seg.]; WASHINGTON 13 IMPULSE MARKETING **CONSUMER PROTECTION ACT** GROUP, INC., a Nevada/Georgia corporation; 14 (RCW 19.86); THE WASHINGTON 15 JEFFREY GÖLDSTEIN, COMMERCIAL ELECTRONIC MAIL individually and as part of his ACT (RCW 19.190); RCW 19.170 et seg., 16 marital community; PHILLIP and Injunctive Relief HUSTON, individually and as 17 part of his marital community; KENNETH ADAMSON, [JURY DEMANDED] individually and as part of his 18 marital community; JOHN 19 DOES, I-X, 20 21 COMES NOW, Plaintiff James S. Gordon, Jr. and, pursuant to order of this 22 Court, files this Amended First Amended Complaint against defendants named 23 herein. Plaintiff alleges the following on information and belief: 24 25 26 27 i.JUSTICE LAW, P.C. NO. CV-05-5079-FVS Page 1 of 21 1325 Fourth Ave., Suite 940 AMENDED FIRST AMENDED COMPLAINT Seattle, WA 98101-2509 28 Phone: 206-304-5400 Fax: 206-624-0717

1. PARTIES

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

- 1.1 Plaintiff James S. Gordon, Jr. ("Gordon") is a married individual who is and was a resident of Benton and/or Franklin County, Washington, and who was doing business as an interactive computer service as 'gordonworks.com', during the time of all acts complained of herein.
- Defendant Impulse Marketing Group, Inc., ("Impulse") upon 1.2 information and belief, is a Nevada corporation, with its principle place of business located in Georgia.
- Defendant Jeffrey Goldstein ("Goldstein") is an officer, director, 1.3 and/or majority shareholder of Impulse, and as such controls its policies, activities, and practices, including those alleged herein on behalf of Impulse. All acts and practices undertaken by Goldstein on behalf of Impulse are and were for the benefit of his marital community. Defendant resides in the State of Georgia and transacts or has transacted business in the State of Washington and in the Eastern District of Washington.
- Defendant Phil Huston ("Huston") is an officer, director, and/or 1.4 majority shareholder of Impulse, and as such controls its policies, activities, and practices, including those alleged herein on behalf of Impulse. All acts and practices undertaken by Huston on behalf of Impulse are and were for

(2ND)AMENDED FIRST AMENDED COMPLAINT -2 GORDON v. IMPULSE MARKETING, INC., ET AL

Page 2 of 21

i.JUSTICE LAW. P.C. PO Box 25817 Seattle, WA 98165-1317 Phone/Fax: 888-839-3299

27

the benefit of his marital community. Defendant resides in the State of Georgia and transacts or has transacted business in the State of Washington and in the Eastern District of Washington.

- 1.5 Defendant Kenneth Adamson ("Adamson") is an officer, director, and/or majority shareholder of Impulse, and as such controls its policies, activities, and practices, including those alleged herein on behalf of Impulse. All acts and practices undertaken by Huston on behalf of Impulse are and were for the benefit of his marital community. Defendant resides in the State of Georgia and transacts or has transacted business in the State of Washington, and in the Eastern District of Washington.
- 1.6 The actions alleged herein to have been undertaken by the defendants were undertaken by each defendant individually, were actions of which each defendant had knowledge and that each defendant authorized, controlled, directed, or had the ability to authorize, control or direct, and/or were actions each defendant assisted and/or participated in, and are actions for which each defendant is liable. Each defendant aided, abetted, assisted, and conspired with the actions of each other defendant herein in that each defendant had knowledge of those actions, provided assistance and benefited from those actions, in whole or in part. Each of the defendants was the agent of each of

(2ND)AMENDED FIRST AMENDED COMPLAINT -3 GORDON v. IMPULSE MARKETING, INC., ET AL Page 3 of 21

i.JUSTICE LAW, P.C.
PO Box 25817
Seattle, WA 98165-1317
Policy Company 2001

Phone/Fax: 888-839-3299

the other defendants, and in committing those acts herein alleged, was acting within the course and scope of such agency and with the permission and consent of other defendants.

II. JURISDICTION

- 2.1 This Court has original jurisdiction of the causes of action herein which are brought under the CAN-SPAM Act of 2003 15 U.S.C. §7701, et seq., 15 U.S.C. §7707(g)(1).
- 2.2 The unlawful actions of the defendants were committed in the States of Washington, Georgia, and in the judicial district of this Court.
- 2.3 The Defendants regularly transact business within the State of Washington by virtue of the fact that they regularly send commercial bulk emails into the State, which emails are received on computers and other electronic devices owned and maintained by residents of the State in the State. As a result of the Defendants' acts and transactions within the State of Washington, this Court has personal jurisdiction over the Defendants under RCW 4.28.185(1)(a).
- 2.4 The causes of action complained of herein include allegations that commercial electronic messages sent by or on behalf of the Defendants to the Plaintiff violates RCW 19.190 et seq., the Washington Commercial

(2ND)AMENDED FIRST AMENDED COMPLAINT -4 GORDON v. IMPULSE MARKETING, INC., ET AL

Page 4 of 21

i.JUSTICE LAW, P.C. PO Box 25817 Seattle, WA 98165-1317 Phone/Fax: 888-839-3299

- 3.4 Plaintiff Gordon provides or enables computer access by multiple users to a computer server that hosts the "gordonworks.com" domain name and further provides electronic mail accounts to individuals utilizing their personal domain names for electronic messaging, including individuals residing within the Federal judicial district in which this case is brought.
- 3.5 Plaintiff Gordon is a user of the interactive computer service provided by 'gordonworks.com,' and maintains electronic mail message accounts with 'gordonworks.com, including under the address jim@gordonworks.com as well as the domain name "rcw19190020.com".
- 3.6 At all times relevant to this action Plaintiff's status as Washington residents is and was public knowledge and was available to defendants upon request from the Plaintiff, their domain registrar information, and other readily accessible sources.
- 3.7 The Defendants have initiated the transmission of numerous commercial email messages directed to and through Plaintiff's interactive computer service, and/or to and through Plaintiff's domain 'gordonworks.com', and/or further addressed to Plaintiff Gordon's email addresses, including but not limited to jim@gordonworks.com.
- 3.8 Despite numerous requests and demands to cease and desist,

Defendants continue to send unlawful spam to Plaintiff. Defendants have continued to send commercial electronic email to Gordon up until June 1, 2007, and throughout the pendency of this litigation. (Copies of the commercial electronic email sent by Defendants are submitted herewith as **Exhibit "A"** in their original, electronic format as they were received by Gordon.)

- Beginning on or about February 15, 2004, Plaintiff configured the email server hosting his 'gordonworks.com' domain to provide an automated response a/k/a "Auto-responder" to provide a response to any and all commercial electronic mail received by Plaintiff Gordon's email server.

 Copies of the automated response messages are attached hereto as **Exhibit**"B". By this means, Plaintiff has sent over one hundred direct email requests to defendant and/or defendant's agents to stop the transmission of all email to Plaintiff.
- 3.10Additionally, Plaintiff has sent or caused to be sent close to one million autoresponder cease and desist messages to spammers during the period of February 2004 to May 2006. Many of those messages bounced back from spammers who supplied nonfunctional, and/or false return email addresses in their emails or who had their services terminated/disabled.

for the purpose of obscuring the origin or source of the emails.

- 3.17**Exhibit "C"** is a series of examples of emails from Defendants, each followed by a "who is" lookup showing entity named in the domain registration for each domain used to send each email, each followed by the relevant state records showing that the entity named in the domain registration does not exist, and indicating a fraudulent registration.
- 3.18For example, the first email shown in exhibit C was sent by Defendant as shown in the "opt out" link directing "opt out" requests to "NewCreditEra c/o Impulse Marketing Group." The domain used for this email was "uniontype.com." This domain was registered to "FocalExpertSite.com" of Los Angeles CA. As shown in the California business portal, no company named "FocalExpertSite.com" existed.
- 3.19As a further example, the second email shown in exhibit C was sent by Defendant as shown in the "opt out" link directing "opt out" requests to "NewCreditEra c/o Impulse Marketing Group." The domain used for this email was "fleetwoodresponse.com." This domain was registered to "Smartnet Interactive" of Santee, CA. As shown in the California business portal, no company named "Smartnet Interactive" existed.
- 3.20As a further example, the third email shown in exhibit C was sent by

| 1 | Defendant as shown in the "opt out" link directing "opt out" requests to |
|--|---|
| 2 | "NewCreditEra c/o Impulse Marketing Group." The domain used for this |
| 3 4 | email was "arrowtide.com." This domain was registered to |
| 5 | "WorldTechnologiesLimited.com" of Los Angeles, CA. As shown in the |
| California business portal, no company named | |
| | California business portal, no company named |
| 8 | "WorldTechnologiesLimited.com" existed. |
| 9 | 3.21The remaining examples shown in Exhibit C show the same pattern of |
| 10 | conduct, whereby emails were sent to the Plaintiff by Defendant as shown in |
| 11 | |
| 12 | the "opt out" link of the emails. As shown in the "who is" look ups, and |
| 13 | accompanying corporate records, the domains used for these email were |
| 14 | registered to non-existent entities. |
| 15 | 3.22Defendants continue to spam Plaintiff today using emails following the |
| 16 | 5.22Detendants continue to spain I familit today using emans following the |
| 17 | same pattern. |
| 18 | |
| 19 | IV. Causes of Action |
| 20 | 4.1 First Cause of Action |
| 21 | 4.1 First Cause of Action |
| 22 | Violations of the Can-Spam Act of 2003 [15 U.S.C. §7701 et seq.] |
| 23 24 | Plaintiff realleges all preceding paragraphs and incorporates them herein as if set |
| 25 | forth in full: |
| 26 | 4.1.1 Plaintiff has received thousands of commercial electronic mail |
| 27 | (2 ND)AMENDED FIRST AMENDED i.JUSTICE LAW, P.C. |
| 28 | COMPLAINT -10 Page 10 of 21 PO Box 25817 GORDON v. IMPULSE Page 10 of 21 Seattle, WA 98165-1317 Phone/Fax: 888-839-3299 |

messages from or on behalf of defendants, sent to Plaintiff's electronic mail server located in Benton and Franklin Counties, Washington, and/or to its registered domains, including 'gordonworks.com' in violation of the CAN-SPAM Act of 2003, 15 U.S.C. §7701 et seq.

- 4.1.2 Plaintiff Gordon further alleges that he received numerous items of electronic mail from the defendants sent to the 'gordonworks.com' domain, and to email addresses served thereby, that were responded to with specific requests not to receive future commercial electronic mail messages, which requests went unheeded for a substantial amount of time during which defendants continued to send unlawful email to plaintiff in violation of 15 U.S.C. §7704(a)(4).
- 4.1.3 Plaintiff further alleges that the defendants sent at least one (1) separate item of electronic mail to the plaintiff to an address most likely harvested from domain name registration and/or by other means of anonymous internet information harvesting. Said conduct was in violation of 15 U.S.C. §7704(b)(1)(A)(i), and (ii).
- 4.1.4 Plaintiff further alleges that defendants initiated the transmission of commercial electronic mail to plaintiff at and through his 'gordonworks.com' domain, and to individual email accounts at that domain and on its server,

which electronic mail included materially misleading subject lines and header information, which constitutes a violation of 15 USC 7704(a)(1)&(2).

- 4.1.5 Plaintiff further alleges that defendants initiated the transmission of commercial electronic mail to plaintiff at and through the 'gordonworks.com' domain and to individual email accounts served thereby, which electronic mail failed to provide a functioning mechanism, clearly and conspicuously displayed, that a recipient may use, in a manner specified in the message, to request not to receive further messages from the sender, which constitutes violations of 15 USC 7704(a)(3)(A), and 7704(a)(4)(A)(ii).
- 4.1.6 Plaintiff further alleges that defendants initiated the transmission of commercial electronic mail to plaintiffs at and through the 'gordonworks.com' domain to individual email accounts served thereby, which electronic mail failed to provide clear and conspicuous notice that the mail is an "advertisement", which constitutes a violation of 15 USC 7704(a)(4)(A)(i).
- 4.1.7 As a proximate result of said unlawful conduct by said defendants,

 Plaintiff is entitled to damages for the actual monetary loss incurred or

 statutory damages in the amount of up to \$100.00 in the case of violation of

 Section 5(a)(1) or up to \$25.00 in the case of each violation of the other

subsections of Section 5 in the form of statutory damages as set forth in 15 U.S.C. $\S7707(g)(1)$ and (3)(A).

- Plaintiff furthermore seeks a preliminary and permanent injunction 4.1.9 against the defendants for their current and future violations of the CAN-SPAM Act of 2003 as it and members of the general public will continue to incur damages as a result of the unlawful conduct of said defendants. The seeking of injunctive relief by the plaintiff is specifically authorized by 15 U.S.C. §7707(g)(1)(A).
- 4.1.6 Plaintiff furthermore seeks their attorney fees and costs against the defendants pursuant to 15 U.S.C. §7707(g)(4).

4.2 Second and Third Causes of Action

Violations of the Washington CEMA [RCW 19.190.020 et seq.] and the Washington Consumer Protection Act [RCW 19.86 et seq.]

Plaintiffs reallege all preceding paragraphs and incorporates them herein as if set forth in full:

It is a violation of RCW 19.190.020(1)(a)(b) and 19.190.030(1)(a)(b) 4.2.1 to initiate the transmission, conspire with another to initiate the transmission, or assist the transmission, of a commercial electronic mail message from a

computer located in Washington or to an electronic mail address that the

(2ND)AMENDED FIRST AMENDED **COMPLAINT -13**

GORDON v. IMPULSE MARKETING, INC., ET AL Page 13 of 21

i.JUSTICE LAW. P.C. PO Box 25817 Seattle, WA 98165-1317

Phone/Fax: 888-839-3299

sender knows, or has reason to know, is held by a Washington resident that uses a third party's internet domain name without permission of the third party, or otherwise misrepresents or obscures any information in identifying the point of origin or the transmission path of a commercial electronic mail message, or contains false or misleading information in the subject line.

- 4.2.2 Defendants initiated the transmission, or assisted and/or conspired to transmit numerous commercial electronic mail messages to Plaintiff's domain and server, and to Plaintiff Gordon's individual email account which defendants knew, or had reason to know were located in the state of Washington, which emails misrepresented or obscured information identifying the point of origin or the transmission path, and/or which contained false or misleading information in the subject line, which constitutes violations of RCW 19.190 et seq.
- 4.2.3 It is further a violation of RCW 19.190.080 to "solicit, request, or take any action to induce a person to provide personally identifying information by means of a web page, electronic mail message, or otherwise using the internet by representing oneself, either directly or by implication, to be another person, without the authority or approval of such other person." Numerous emails sent by Defendants and received by Plaintiff violated this

| 1 | provision of the CEMA. |
|--------|--|
| 2 | 4.2.4 Pursuant to RCW 19.190.020(1)(a)(b), each email sent in this Second |
| 3 4 | Cause of Action is a separate and distinct violation of RCW 19.190, and |
| | |
| 5 | pursuant to RCW 19.190.030(1)(a)(b), (2), and (3) constitutes a separate and |
| 6 7 | distinct violation of the Consumer Protection Act, RCW 19.86. |
| 8 | 4.2.5 Further, defendants' acts herein alleged, constitute separate and |
| 9 | distinct violations of RCW 19.86 as they constitute unfair or deceptive acts |
| 10 | and practices, occurring in the regular course of defendants' conduct of |
| 11 | and practices, occurring in the regular course of detendants conduct of |
| 12 | commerce and trade, and are unfair methods of competition, which acts have |
| 13 | been, or are likely to be perpetrated against other residents of the State. |
| 14 | |
| 15 | |
| 16 | Plaintiff has been damaged as a result of Defendants' statutory violations as |
| 17 | set forth herein, in an amount to be proven at trial. |
| 18 | |
| 19 | 4.3 Fourth Cause of Action |
| 20 | |
| 21 | RCW 19.170 et seq. |
| 22 | Plaintiff realleges all preceding paragraphs and incorporates them herein as if |
| 23 | set forth in full: |
| 24 | 4.3.1 RCW 19.170 et seq. makes it unlawful under Washington State law to |
| 25 | 1 ti1 1 ti |
| 26 | deceptively advertise or promote "free" prizes, gifts, awards, travel |
| 27 | (2 ND)AMENDED FIRST AMENDED i.JUSTICE LAW, P.C. PO Box 25817 |
| 28 | COMPLAINT -15 GORDON v. IMPULSE MARKETING, INC., ET AL Page 15 of 21 Po Box 25817 Seattle, WA 98165-1317 Phone/Fax: 888-839-3299 |

coupons or certificate, free item, or any other item offered in a promotion that is different and distinct from the goods, service, or property promoted by a sponsor. The statute makes a violation of RCW 19.170 a per se violation of the State Consumer Protection Act (RCW 19.86 et seq.)

- 4.3.2 Numerous email advertisements, i.e., "spam" which Defendants transmitted to Plaintiff, as described herein, violated RCW 19.170 et seq., in the following ways: In violation of RCW 19.170.030:
 - (a) The offending emails contained offers, and promotions for prizes, gifts, and awards which failed to identify the name and address of the promoter and the sponsor of the promotion; and/or,
 - (b) failed to state the verifiable retail value of each prize offered in it; and/or,
 - (c) failed to disclose the verifiable retail value and odds for each prize which must be stated in immediate proximity on the same page with the first listing of each prize in type at least as large as the typeface used in the standard text of the offer; and/or
 - (d) failed to conspicuously disclose, if a person is required or invited to view, hear, or attend a sales presentation in order to claim a prize that has been awarded, may have been awarded, or will be awarded, the requirement or invitation must be conspicuously disclosed under subsection (7) of this section to the person in the offer in bold-face type at least as large as the typeface used in the standard text of the offer; and/or,
 - (e) or failed to otherwise comply with RCW 19.170.030 which requires that "No item in an offer may be denominated a prize, gift, award, premium, or similar term that implies the item is free if, in order to receive the item or use the item for its

intended purpose the intended recipient is required to spend any sum of money, including but not limited to shipping fees, deposits, handling fees, payment for one item in order to receive another at no charge, or the purchase of another item or the expenditure of funds in order to make meaningful use of the item awarded in the promotion. The payment of any applicable state or federal taxes by a recipient directly to a government entity is not a violation of this section."

In violation of RCW 19.170.040:

- (a) included a prize in an offer when the promoter or sponsor knows or has reason to know that the prize will not be available in a sufficient quantity based upon the reasonably anticipated response to the offer.
- (b) failed to comply with subsection (5) which provides: "If the prize is not available for immediate delivery to the recipient, the recipient shall be given, at the promoter or sponsor's option, a rain check for the prize, the verifiable retail value of the prize in cash, or a substitute item of equal or greater verifiable retail value."
- (c) failed to comply with subsection 5(b), which provides: "If the rain check cannot be honored within thirty days, the promoter or sponsor shall mail to the person a valid check or money order for the verifiable retail value of the prize described in this chapter."
- (d) failed to comply with subsection (6), which provides: "A sponsor shall fulfill the rain check within thirty days if the person named as being responsible fails to honor it."
- (e) failed to comply with subsection (7), which provides: "The offer shall contain the following clear and conspicuous statement of recipients' rights printed in type at least as large as the typeface used in the standard text of the offer:" If you receive a rain check in lieu of the prize, you are entitled by law to receive the prize, an item of equal or greater value, or the cash equivalent of the offered prize within thirty days of the date on which you claimed the prize."

(2ND)AMENDED FIRST AMENDED COMPLAINT -17 GORDON v. IMPULSE MARKETING, INC., ET AL

Page 17 of 21

i.JUSTICE LAW, P.C. PO Box 25817 Seattle, WA 98165-1317 Phone/Fax: 888-839-3299

GORDON v. IMPULSE

MARKETING, INC., ET AL

i.JUSTICE LAW. P.C. PO Box 25817 Seattle, WA 98165-1317 Phone/Fax: 888-839-3299 damages of up to three times the per statutory damages provided therein for each violation committed by the defendants, in an amount to be proven at trial;

That the Court adjudge and decree that the conduct complained of herein constitutes violations of RCW 19.170 et seq. and that Plaintiff is entitled to all damages provided for thereunder, as may be proved at trial, including but not limited to aggravated damages under RCW 19.170.060 of up to three times the amount of statutory damages for these violations committed by the defendants willfully and knowingly, and for defendants' unlawful activity.

That the Court adjudge and decree that the conduct complained of herein constitutes violations of the Washington Consumer Protection Act, RCW 19.86 et seq., and that Plaintiff is entitled to all damages provided for thereunder, as may be proved at trial;

That the Court assess civil penalties, pursuant to 19.190.040(1) of five hundred dollars (\$500) per violation against defendant for each and every one of the commercial electronic mail messages sent to plaintiff Gordon in violation of RCW 19.190.020.

That the Court assess civil penalties, pursuant to 19.190.040(1) one thousand dollars (\$1,000) per violation against defendant for each and every

(2ND)AMENDED FIRST AMENDED COMPLAINT -20 GORDON v. IMPULSE MARKETING, INC., ET AL

28

Page 20 of 21

i.JUSTICE LAW, P.C. PO Box 25817 Seattle, WA 98165-1317 Phone/Fax: 888-839-3299

| 1 | |
|----------|---|
| 2 | |
| 3 | |
| 4 | |
| 5 | Certificate of Service |
| 6 | I, hereby, certify that on July 30, 2007, we filed this pleading with this |
| 7 | Court. The Clerk of the Court will provide electronic notification system |
| 8 | using the CM/ECF, which will send an electronic copy of this Notice to: |
| 9 | Floyd E. Ivey; Sean Moynihan; Stacy Wolery. I further certify that I |
| 10 | have served the foregoing to the following non-CM/ECF participants by |
| 11 | other means: Bonnie Gordon; Jonathan Gordon; James S. Gordon, III; |
| 12 | Jamila Gordon; Emily Abbey; and Hon. Harld D. Clarke, Jr. Exhibit "A' |
| 13 | to the Complaint consists of a digital CD containing copies of the |
| 14 15 | allegedly unlawful emails, which was delivered physically to the Court |
| 16 | Clerk, and has been mailed to counsel for Defendants, and other non- |
| 17 | CM/ECF participants. |
| 18 | |
| 19 | /S/ Robert J. Siegel |
| 20 | Robert J. Siegel, WSBA #17312 |
| 21 | Attorneys for Plaintiffs |
| 22 | |
| 23 | |
| 24 | |
| 25 | |
| 26 | |
| 27 | (2 ND)AMENDED FIRST AMENDED i.JUSTICE LAW, P.C. PO Box 25817 |
| 28 | COMPLAINT -21 Page 21 of 21 PO Box 25817 Seattle, WA 98165-1317 Phone/Fax: 888-839-3299 |