

CAUSE NO. \_\_\_\_\_

THE STATE OF TEXAS,	§	IN THE DISTRICT COURT OF
Plaintiff,	§	
	§	
V.	§	
	§	
JOHN STRANGE D/B/A	§	TRAVIS COUNTY, TEXAS
USASKIPTRACE.COM	§	
AMS RESEARCH SERVICES, INC.,	§	
WORLDWIDE INVESTIGATIONS, INC.	§	
D/B/A USA SKIPTRACE,	§	
Defendants.	§	_____ JUDICIAL DISTRICT

**PLAINTIFF’S ORIGINAL PETITION AND  
APPLICATION FOR TEMPORARY RESTRAINING ORDER**

**TO THE HONORABLE JUDGE OF SAID COURT:**

Plaintiff, the STATE OF TEXAS, acting by and through the Attorney General of Texas, Greg Abbott, complains of Defendants John Strange d/b/a usaskiptrace.com, AMS Research Services, Inc., and Worldwide Investigations, Inc. d/b/a USA Skiptrace and for cause of action would respectfully show the Court the following:

**I.**

**DISCOVERY CONTROL PLAN**

1.1 The discovery in this case is intended to be conducted under Level 2 pursuant to Tex. R. Civ. P. 190.3.

**II.**

**JURISDICTION**

2.1 This action is brought by Attorney General Greg Abbott, through his Consumer Protection & Public Health Division in the name of the State of Texas and in the public interest under the authority granted to him by TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION

ACT, TEX. BUS. & COM. CODE § 17.41, *et seq.* (Vernon 2002 and Supp. 2005) (“DTPA”) upon the grounds that Defendants have engaged in false, misleading and deceptive acts and practices in the conduct of trade and commerce as defined and declared unlawful by §§ 17.46(a) and (b) of the DTPA.

### **III.**

#### **DEFENDANTS AND SERVICE**

3.1 Defendant John Strange (“Strange”) is an individual who may be served with process at his principal place of residence, 5802 Franklin, Denver, Colorado 80216. Strange is the President, registered agent and incorporator of Defendant Worldwide Investigations, Inc. (“Worldwide”), General Manager of Defendant AMS Research Services, Inc. (“AMS”) and is also listed as the Registrant, Administrative and Technical Contact for the website: [www.usaskiptrace.com](http://www.usaskiptrace.com). Defendant is a nonresident of Texas and does not maintain a regular place of business in Texas but conducted business in Texas and the lawsuit arises out of his business in Texas.

3.2 Defendant AMS Research Services, Inc. (“AMS”), is a Colorado based corporation. Defendant Strange is the general manager of AMS. Amanda Strange is its President. AMS does business under at least one trade name, AMS Research Services. Defendant AMS has done business in the State of Texas, but does not maintain a regular place of business in Texas, nor has it designated an agent for service of process in the State of Texas. This suit arises out of Defendant’s business in this state as more specifically described below. Pursuant to § 17.044 of the Texas Civil Practice & Remedies Code, AMS can be served by certified mail, return receipt requested, directed to AMS through the Texas Secretary of State as an agent for service of process at its home office at the following address: 451 Oak Street, Frederick, Colorado, 80530-7072.

3.3 Defendant Worldwide Investigations, Inc. d/b/a USA Skiptrace (“Worldwide”) is a

Colorado based corporation. Worldwide was incorporated by Defendant Strange who continues to serve as its President and Registered Agent. Defendant Worldwide also does business under the trade name USA Skiptrace. Defendant Worldwide has done business in the State of Texas, but does not maintain a regular place of business in Texas, nor has it designated an agent for service of process in the State of Texas. This suit arises out of Defendant's business in this state as more specifically described below. Defendant Worldwide can be served by certified mail, return receipt requested, directed to Worldwide through the Texas Secretary of State as an agent for service of process at Worldwide's home office at the following address: 5802 Franklin Street, No. 205, Denver, Colorado 80216-1234.

#### **IV.**

#### **VENUE**

4.1 Venue of this suit lies in Travis County, Texas pursuant to § 17.47(b) of the DTPA, venue is proper because Defendants have done business in Travis County, Texas.

#### **V.**

#### **PUBLIC INTEREST**

5.1 Plaintiff, STATE OF TEXAS, has reason to believe that Defendants have engaged in, and will continue to engage in unlawful practices and has reason to believe that Defendants have caused, and will cause adverse effects to legitimate business enterprises which conduct their trade and commerce in a lawful manner in this State. Therefore, the Consumer Protection & Public Health Division of the Office of the Attorney General of Texas believes and is of the opinion that these proceedings are in the public interest.

## **VI.**

### **TRADE AND COMMERCE**

6.1 Defendants are engaged in trade and commerce as that term is defined by § 17.45(6) of the DTPA.

## **VII.**

### **ACTS OF AGENTS**

- 7.1 Whenever in this Petition it is alleged that Defendants did any act, it is meant that:
- a. Defendants performed or participated in the act; or
  - b. Defendants' officers, agents, or employees performed or participated in the act on behalf of and under the authority of the Defendants.

## **VIII.**

### **STATEMENT OF FACTS**

8.1 Defendants operate an online data broker service which offers to “find information that you can’t.” At the homepage of their interactive website, which is accessible to residents of Texas and Travis County, Texas, found at [www.usaskiptrace.com](http://www.usaskiptrace.com), Defendants offer their services and guarantee that “all searches are completely discreet...and guaranteed for accuracy” and list numerous types of reports that they sell including “Telephone Services” and “Cell Phone Services.” See Exhibit 1 attached to Adkins Verification.

8.2 The telephone records which Defendants offer to sell include: “All detailed calls from the most recent billing statement (or statement month requested) with dates.” Defendants further represent that if they cannot obtain all calls they will supply “(at the minimum) the first 100+ calls per statement cycle.” The basic price for these records is One Hundred and Twenty Five Dollars

(\$125.00) and for additional fees, Defendants offer to provide information regarding the duration and time of each call. Defendants offer to obtain these types of “call records” for land line and cellular phones, including personal and business phones. See Exhibits 2 and 3, attached to Adkins Verification; See Adkins Affidavit.

8.3 For each type of record offered for sale, Defendants provide a form on the web site which a prospective customer can fill out and submit via the Internet. For example, to order the “Cellular Monthly Report,” a prospective customer enters the cell phone number, name and address of the person whose records they seek to obtain on the form attached here as Exhibit 2. The customer pays for the service by providing billing address and credit card information on the form attached here as Exhibit 3 and clicking on “Submit Purchase.” Defendants have accepted payment from persons in Texas for the purchase of cell phone records. (Exhibits 2 and 3 are attached to Adkins Verification). See Adkins Affidavit.

8.4 Shortly after receiving such an order, Defendants send the purchaser an e-mail from [jstrange@usaskiptrace.com](mailto:jstrange@usaskiptrace.com) thanking the purchaser for the order and confirming that payment for the cell phone records sought has been received by Defendant AMS. The e-mail also indicates that the purchaser will receive the requested records within “1 - 6 business days” and that “your credit card bill will show AMS Research Services as the billing party.” See Adkins Affidavit.

8.5 Subsequently, Defendants send the purchaser an e-mail from [info@usaskiptrace.com](mailto:info@usaskiptrace.com) which contains the purchased cell phone records together with the message: “Thank you for placing an order with USA Skiptrace. Here is the information you requested.” See Adkins Affidavit.

8.6 Defendants also offer other purchasing options including “corporate accounts” which allow purchasers to place orders for information and be billed without adding payment information. In addition, Defendants accept orders by mail and facsimile.

8.7 Defendants obtain the above-described cell phone records without seeking permission from the persons who own the cell phone numbers Defendants have been paid to obtain. Defendants do not obtain these records through legal process such as the issuance of a subpoena. In fact, Defendants represent that “We never contact the owners of phone numbers searched. The owner has no way of knowing about the search or who ordered it.”

8.8 On information and belief, Defendants obtain these call detail records through a variety of deceptive pretexts including contacting telecommunications carriers’ customer service representatives and impersonating the person whose records are being sought, misrepresenting that they are providing assistance to a customer who cannot speak, or that they are associated with the carrier and need access to a certain person’s cell phone records for legitimate business reasons.

8.9 Further, Defendants gain access to some customer call records, including that of Texas residents, by accessing accounts through the web sites maintained by the carriers for the use of customers. On information and belief, Defendants obtain personal information about the customers whose records they seek to access and in turn, use that personal information to gain access to the customer’s telephone account records via the carriers’ web sites.

8.10 Defendants represent at their web site that information which they provide is “intended for legitimate and lawful use only.” However, Defendants do nothing to verify that the information they sell will only be used for “legitimate” and “lawful” purposes and cause confusion by representing in other parts of their web site that “if you... need them [the reports] for legal purposes you must subpoena the records from the telephone carrier.” Finally, the call detail records which Defendants offer for sale and sell are confidential.

## **IX.**

### **VIOLATIONS OF TEXAS DECEPTIVE TRADE PRACTICES ACT**

9.1 The State incorporates and adopts by reference the allegations contained in each and every preceding paragraph of this petition.

9.2 Defendants, as alleged and detailed above, have in the course of trade and commerce engaged in false, misleading and deceptive acts and practices declared unlawful in §§ 17.46(a) and (b) of the DTPA;

9.3 Defendants, as alleged and detailed above, have in the course of trade and commerce violated § 17.46(b)(3) of the DTPA by causing confusion or misunderstanding as to affiliation, connection, or association with, or certification by, another;

9.4 Defendants, as alleged and detailed above, have in the course of trade and commerce violated § 17.46(b)(5) of the DTPA by representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have or that a person has a sponsorship, approval, status, affiliation, or connection which he does not;

9.5 Defendants, as alleged and detailed above, have in the course of trade and commerce violated § 17.46(b)(12) of the DTPA by representing that an agreement confers or involves rights, remedies, or obligations which it does not have or involve, or which are prohibited by law; and

9.6 Defendants, as alleged and detailed above, have in the course of trade and commerce violated § 17.46(b)(24) of the DTPA by failing to disclose information concerning goods or services which was known at the time of the transaction if such failure to disclose such information was intended to induce the consumer into a transaction into which the consumer would not have entered had the information been disclosed.

## **X.**

### **APPLICATION FOR TEMPORARY RESTRAINING ORDER**

10.1 Defendants have engaged in the unlawful acts and practices described in the preceding paragraphs 8.1 through 9.6 incorporated here by reference. Defendants have thus violated and will continue to violate the law as alleged in this Petition. More specifically, through its web site Defendants continue to offer to obtain cell phone records which they are not lawfully authorized to obtain. They resort to deceptive pretexts in order to obtain telephone records which they are not entitled to review or obtain. Pursuant to § 17.47 of the DTPA, the State respectfully requests the issuance of a Temporary Restraining Order against the Defendants as set forth herein.

## **XI.**

### **TRIAL BY JURY**

11.1 Plaintiff herein requests a jury trial and will tender the jury fee to the Travis County District Clerk's office pursuant to Texas Rule of Civil Procedure 216 and Texas Government Code Section 51.604.

## **XII.**

### **REQUEST TO CONDUCT DISCOVERY PRIOR TO TEMPORARY INJUNCTION HEARING**

12.1 The STATE OF TEXAS requests leave of this Court to conduct telephone, oral, written, and other depositions prior to any scheduled Temporary Injunction Hearing and prior to Defendants' answer date.

12.2 Some of these witnesses live outside the State of Texas, and cannot appear at any scheduled Temporary Injunction hearing. Any depositions, telephonic or otherwise, would be conducted with reasonable shortened notice to Defendants and their attorneys.

## **XIII.**

### **PRAYER**

13.1 WHEREFORE, Plaintiff, the STATE of TEXAS, prays that Defendants be cited according to law to appear and answer herein; that a TEMPORARY RESTRAINING ORDER be issued against Defendants; that after due notice and hearing a TEMPORARY INJUNCTION be issued against Defendants and upon final hearing a PERMANENT INJUNCTION be issued, restraining and enjoining Defendants, their agents, servants, employees, and representatives from making the following representations and doing the following acts and engaging in the following practices in the pursuit and conduct of trade or commerce within the State of Texas as follows:

- a. Transferring, concealing, destroying or removing from the jurisdiction of this Court any books, records, documents, invoices, or other written materials relating to Defendants' businesses, which are in Defendants' possession, custody, or control except in response to further orders or subpoenas in this cause;
- b. Transferring, spending, hypothecating, concealing, encumbering, depleting, modifying, dissipating, distributing, or removing from the jurisdiction of this Court any money, stocks, bonds, assets, notes, equipment, funds accounts receivable, policies of insurance, trust agreements, and/or other property, real, personal or mixed, wherever situated, belonging to or owned by, in possession of, or claimed by Defendants;
- c. Contacting or causing another person to contact a telecommunications provider and representing to such provider, by implication or expressly, that the caller is the owner of the telephone call records being requested when in fact the caller is not the owner of the records and the caller is making such

request without the knowledge or consent of the owner of the records;

- d. Contacting or causing another person to contact a telecommunications provider and representing to such provider, by implication or expressly, that the caller is an employee or agent of the telecommunications carrier when in fact the caller is not an employee of the provider;
- e. Accessing or causing another person to access the online telephone records of a third party by representing to a telecommunications provider, by implication or expressly, that the person accessing the online account is actually the owner of the account or otherwise authorized to access such account when in fact he is not;
- f. Selling or offering to sell telephone call detail records;
- g. Representing, by implication or expressly, to Texas consumers that Defendants can lawfully obtain call detail records; and
- h. Accepting orders to provide call detail records from any person or entity with a Texas billing address.

13.2 Plaintiff further requests, that upon final hearing, this Court will order Defendants to pay the following:

- a. Civil penalties of up to \$20,000.00 per violation for each and every violation of the DTPA as authorized by Tex. Bus. & Com Code § 17.47(c)(1);
- b. Civil penalties of an additional amount of not more than \$250,000 if the act or practice that is the subject matter of this proceeding was calculated to acquire or deprive money or other property from a consumer who was 65

years of age or older when the act or practice occurred as authorized by Tex. Bus. & Com. Code § 17.47(c)(2);

- c. Pre-judgment interest on all awards of restitution, damages or civil penalties, as provided by law; and
- d. All costs of Court, costs of investigation, and reasonable attorney's fees as authorized pursuant to TEX. GOVT. CODE ANN. § 402.006(c).

13.3 Plaintiff further prays for post-judgment interest and such other relief to which Plaintiff may be justly entitled.

Respectfully submitted,

GREG ABBOTT  
Attorney General of Texas

BARRY MCBEE  
First Assistant Attorney General

EDWARD D. BURBACH  
Deputy Attorney General for Litigation

PAUL D. CARMONA  
Chief, Consumer Protection & Public Health Division

---

PEDRO PEREZ, JR.  
State Bar No.00788184  
D. ESTHER CHAVEZ  
State Bar No. 04162200  
ROGER BORGELT  
State Bar No. 02667960  
Assistant Attorneys General  
Consumer Protection & Public Health Division  
P.O. Box 12548  
Austin, Texas 78711  
(512) 475-4656  
FAX (512) 473-8301