

# Government Payment of Damages Unlikely in DRAPER Overreach-Case that Deprived 'TV House-Flipping Consumers' of Services

*Cris Cannon, Jeff Spangler & Jim Carlson are Reigning "Best of State Entrepreneurs" for Financial, Real Estate, & Business Coaching. Voted UTAH's #1 Workplace*

SAN FRANCISCO, CALIFORNIA, UNITED STATES, April 24, 2022

/EINPresswire.com/ -- (SCOTUS Docket Number 19-508)

<https://www.scotusblog.com/case-files/cases/amg-capital-management-llc-v-federal-trade-commission/>

The Founders of Zurixx, LLC, are thankful for the 70,000+ loyal customers that provided positive written evaluations and for the multiple classes of students that petitioned to intervene against the Federal Trade Commission (FTC) and Utah Division of Consumer Protection (UDCP) in this case.



"We are also grateful for the efforts of the U.S. Chamber of Commerce, and their true professionalism, to uncover truths supporting our case. Lastly, kudos to all the other accredited business organizations that helped to expose the FTC's inappropriate actions to the Supreme Court," states former CEO James Carlson.

It appears evident that this entire drawn-out, puffed-up, unnecessary litigation was unfortunately a severe abuse of 'governmental power' that evidently was brought on in order to aggrandize certain individual's careers and to 'flex' government agency powers of those individuals involved.

"Sadly, the government has wasted millions of taxpayer dollars and irreparably harmed tens of

thousands of innocent consumers who loved the business trainings, professional tools and easy-to-understand teachings that were provided. It is hard to understand how this is a 'victory' for Utah when not one Utah consumer complained and hundreds of Utah families lost their jobs," states Cannon.

>Jim Carlson Recognized as 2018 Utah Business CEO of the Year (20 March 2018) ... Zurixx's CEO and Co-Founder, James "Jim" Carlson, was recognized as Utah Business Magazine's CEO of the Year. (.utahbusiness.com/2018-ceo-of-the-year)

"Zurixx, LLC" is one of America's most successful, and wide-spread, Financial Education companies. With offices in Utah and Puerto Rico, Zurixx was founded in 2012 by James Carlson to provide clients with a premier level of Financial Education, coaching and customer support. The company has received widespread recognition for its success including awards from Utah Business Monthly, and the Mountain West Capital Network.



>Zurixx LLC Ranked 43rd in Annual List of Inc. 5000 Fastest Growing Companies (NEW YORK, August 17, 2016) ... Inc. magazine ranked Zurixx as number 43 on its 35th annual Inc. 5000, the most prestigious ranking of the nation's fastest-growing private companies. The list represents a look at the most successful companies within the American economy's most dynamic segment— its independent small businesses. (.inc.com/profile/zurixx)

“

We're very pleased we made things right! We've always acted in the best interest of our customers & employees & absolutely achieved our goal of stopping further harm & abuse by government agencies.”

*Zurixx LLC*

- The intent of the FTC and UDCP was never to assist aggrieved consumers.
- In hand-written, signed evaluations, audited by a third-party accounting firm, 99.99% of Zurixx 70,000 customers were overwhelmingly satisfied with their education and the services provided by the company. Only 25 customers

ever signed on to the FTC and UDCP's wild accusations and claims and all 25 lacked credibility due to misleading or untruthful statements.

- In fact, the FTC and UDCP, shockingly opposed the class action filed by Zurixx students seeking to reinstate their educational programs and resources.
- This was a clear case of career bureaucrats seeking to overreach and aggrandize their own careers at the expense of a well-respected company, as well as its consumers and employees.
- The Utah Department of Consumer Protection disingenuously stated that the settlement

they were forced to take in the Zurixx case was a “victory” for Utah consumers, when, in fact, no Utah consumer ever made a complaint against the company. Furthermore, millions of dollars of Utah taxpayer money was wasted in the 5 years the UDCP pursued this baseless lawsuit and hundreds of Utah employees lost their jobs.

- The UDCP also misled the public by stating that this was the largest consumer protection recovery in Utah history. The UDCP told the public that they had recovered \$104 million for Utah consumers, knowing full well that the defendants had actually settled for potential litigation costs of approximately \$12 million and that no Utah consumers were likely to see a dime of that money ... as no Utah consumers had made complaints! The \$104 million “agreed judgment” was just a paper judgment with little to no money behind it that was used as propaganda by the UDCP staff to justify the millions of dollars of taxpayer money wrongfully spent in pursuing this case of extreme government overreach and abuse.

“Unfortunately, not everyone has or will be made whole and, because of that, no one will be happy about the final outcome of this ‘entrapment case’ either. Tragically, there are only losers in this scenario because of how the Federal Trade Commission (FTC) and Utah Division of Consumer Protection (UDCP) over-reached and mishandled the settlement case,” says former President Jeff Spangler.

“Sadly, the FTC and UDCP have deprived thousands of consumers of highly-used and top-rated educational resources. Hundreds of Utah employees and contractors have lost their livelihoods and the means to provide for their families during these difficult times. In fact, many of our valued employees were unfairly targeted, accused and even sued unjustly as a further ‘high-pressure sales tactic’ by the Receiver, the FTC and/or UDCP in this matter.”

“As an ultimate ‘slap to the face’ of consumers, the Receiver dissipated assets that could have been utilized in order to help the affected customers who were harmed by the FTC and UDCP’s ‘overreach’ actions. Just like every effected consumer, we are not at all happy with the outcome.



However, we are glad that we fought hard to make certain things right, and settle this matter, to the degree that we are allowed to. Our only goal was to act in the best interest of our customers, and former employees, in order to stop further harm, abuse, and manipulation by these government agencies."

> "Zurixx LLL" was recognized as a "Best Place to Work" numerous years concurrently both locally (by the Salt Lake Tribune) ... and by national organizations (Forbes, Fortune & Glassdoor). Additionally, over 70,000 students evaluated and rated the Zurixx Real Estate courses and Zurixx received high ratings of 4.8 stars across all satisfaction categories.



The Supreme Court unanimously held in a decision authored by Justice Breyer that "§13(b) as currently written does NOT grant the Commission authority to obtain equitable monetary relief." The court stated that the language of Section 13 refers only to injunctions; that the structure and language of 13(b) authorizing permanent injunctions is designed as a limiting force on the FTC; and that 13(b) is focused on prospective, rather than retrospective relief. The court went on to explain that because Sections 5(l) and 19 of the FTC Act explicitly provide for "other and further equitable relief," as well as "refund of money or return of property," 13(b) is not meant to be as broad as the other provisions providing for equitable relief.

([ballotpedia.org/AMG\\_Capital\\_Management,\\_LLC\\_v.\\_Federal\\_Trade\\_Commission](https://ballotpedia.org/AMG_Capital_Management,_LLC_v._Federal_Trade_Commission))

> Zurixx LLC Makes List of Utah's Top 100 Fastest Growing Companies ( Oct., 2014 ) ... Zurixx has been named one of Utah's Top 15 Emerging Elite Companies as part of MWCN's Annual Utah Top 100 Fastest Growing Companies! ([mwcen.org/2014/10/21/2014-utah-100](https://mwcen.org/2014/10/21/2014-utah-100))

"Every customer is a valuable individual to Zurixx. However, despite Zurixx' outstanding online 5-Star ratings, and years of blue-ribbon industry recognition, as well as over 70,000 satisfied customers, the Federal Trade Commission (FTC) and Utah Department of Consumer Protection (UDCP) erroneously sued the company in October 2019 and published what can only be described as 'wild allegations of consumer misrepresentation' and 'aggressive business tactics.' All accusations were based upon the allegations of a mere 25 dissatisfied and disgruntled customers."

"Fortunately, the FTC and UDCP were FORCED TO AMMEND their allegations due to a landmark

U.S. Supreme Court ruling last year. In FTC v. AMG [citation] the Supreme Court held that the FTC had, for nearly 50 years, ABUSED ITS POWERS AND AUTHORITY by targeting companies, such as Zurixx, using methods and damage calculations that were NOT authorized by Congress and which deprived individuals and companies of their rights to due process."

"Zurixx partnered with internationally known celebrities from networks like ABC, A&E and HGTV in an attempt to help celebrities monetize their 'fame' by way of financial, business and real-estate seminars. They specialize in curriculum development for these educational seminars, leadership summits and business workshops. The Cottonwood Heights company has a staggering three-year growth of 5,626% with \$130 million in revenue, good enough to rank #43 on the 2016 Inc. 5000."

>Zurixx Coaches Receive ATD Coaching Certification Training (March 2, 2017) ... Zurixx Coaches recently attended a two day in-office course where they were trained in best practices for helping students, diagnosing problems, and creating success. This course was offered by The Association for Talent Development (ATD), the world's largest association dedicated to those who develop talent in organizations. All 13 of our full-time coaches participated/finished the training.

Counsel petitioned to the Supreme Court in order to hear their case against the FTC, specifically on the question of whether Section 13(b) of the FTC Act allows for the FTC to seek monetary relief. While the Ninth Circuit's decision was in alignment with most other circuit courts and numerous FTC cases before, counsel had found that the Seventh Circuit had ruled in the 2019 case FTC v. Credit Bureau Center that Section 13(b) does NOT give the FTC this authority, creating a circuit split.[8] The Supreme Court granted certiorari to the case in July 2020. (.supremecourt.gov/opinions/20pdf/19-508\_l6gn.pdf)

AMG Capital Management, LLC v. FTC is a U.S. Supreme Court case dealing with the ability of the Federal Trade Commission (FTC) to seek 'monetary relief' for restitution or disgorgement from those 'it' found in violation of trade practices. The Supreme Court ruled unanimously that:

"... the FTC 'misused its authority' granted by the Federal Trade Commission Act under Section 13(b) in order to obtain monetary relief."

.scotusblog.com/case-files/cases/amg-capital-management-llc-v-federal-trade-commission/

>Utah Business Names "Zurixx LLC" in "Best Companies to Work For" ( Dec., 2015 ) ... Adding to their impressive resume, Zurixx was named one of the Best Companies to Work For by Utah Business magazine. Thursday, December 10th, Utah Business honored 50 companies for their successful efforts to make their employees "whistle while they work."

(.utahbusiness.com/articles/view/utah\_business\_recognizes\_2015s\_best\_companies)

LEGAL NOTICE: "The State of Utah's Alleged "Largest Consumer-Protection Settlement" sadly casts a huge, dark shadow on the Utah Division of Consumer Protection.



On February 16, 2022, the Federal District Court for the Central District of Utah entered an order settling a 2 ½ yearlong case involving alleged Governmental: (1) Overreach, (2) Unlawful Entrapment and (3) Abuse of Powers/Authority by the Federal Trade Commission (FTC) and Utah Department of Commerce (UDC) against an award-winning, highly-rated and Five Star reviewed Financial-Education Company based in Utah. For over a decade, Zurixx LLC, teamed-up with various celebrities, and financial industry experts, in order to successfully offer ease-of-use Financial Education products to consumers that any 'average joe' could use and understand. Consumer popularity of these educational programs, coupled with tens-of-thousands of real-life success stories, proved the systems validity and effectiveness over 7 years of problem-free operations.

City Weekly's annual 'Best of Utah' issue has always been, for more than 30 years, a celebration of community. These 'Best of Utah' recognitions are a chance for all of those who read and support it—to pay our respects to the incredible people and outstanding places that make our city and the State of Utah unique. City Weekly has always been a local voice, listening to local voices, as they support still more local voices.

>Zurixx LLC was recognized with the "Best of Utah – Financial and Entrepreneur Education Award" for 5-straight years (2015, 2016, 2017, 2018, 2019).

>Zurixx LLC Recognized as 2016 "Great Place to Work" ( July, 2016 ) ... After only four years in business, Zurixx receives the highly coveted Great Place to Work status as voted by its happy, engaged workers. Salt Lake City's Zurixx, a leading financial education company, is named a "Great Place to Work" by 99% of its employees, based on an in-depth survey provided by the Great Place to Work® analytical workplace authority. ([.greatplacetowork.com](http://greatplacetowork.com))

>Zurixx, LLC Receives 2016 Best of Salt Lake City Award ( July 28, 2016 ) ... Zurixx has been selected for the 2016 Best of Salt Lake City Award in the Training Programs category by the Salt Lake City Award Program. Each year, the Salt Lake City Award Program identifies companies that are believed have achieved exceptional marketing success in their local community and business category. ([.awardconnect.org](http://awardconnect.org))

>Fortune Reveals Best Medium Workplaces – Zurixx LLC Awarded No. 20 (October 12, 2016) ... Fortune reveals its list of the Best Small & Medium Workplaces. Companies between 100 and 999 employees make up the 100 Best Medium Workplaces list. ([.fortune.com/best-medium-workplaces/zurixx-20](http://fortune.com/best-medium-workplaces/zurixx-20))

>Zurixx Named One of the Country's Best Medium Workplaces (Salt Lake City, Utah 13 October 2016) ... Zurixx doesn't just stand behind the work; they stand behind the people who make it possible. Zurixx has earned a place among of the country's Best Small and Medium Workplaces recently announced by consulting firm Great Place to Work® and Fortune. ([.reviews.greatplacetowork.com/2016-best-medium-workplaces](http://reviews.greatplacetowork.com/2016-best-medium-workplaces))

>The Salt Lake Tribune Names Zurixx LLC a Winner of the Utah 2016 Top Workplaces Award (SLC, Utah November 21, 2016) ... Zurixx has been awarded a 2016 Top Workplaces honor by The Salt Lake Tribune. The Top Workplaces lists are based solely on the results of an employee feedback survey administered by WorkplaceDynamics, a leading research firm that specializes in organizational health and workplace improvement. (.topworkplaces.com/frontend.php/regional-lists)

>Zurixx Named In List of 20 of the Fastest Growing Companies in Utah: KSL Honors Zurixx in its Prestigious Annual List (SALT LAKE CITY, UTAH, January 27, 2017) ... Zurixx, LLC, the industry leader in developing financial education programs, has been named to KSL Jobs' list of 20 of the Fastest-Growing Companies in Utah. KSL began broadcasting as Utah's first radio station in 1922 and has grown to become Utah's #1 source for news and the list highlights 20 Utah companies that have achieved major growth. Zurixx has achieved 5,626% growth for the past three years, with 2015 revenue over \$130 million. (.ksl.com/article/42905880)

>Zurixx LLC Customer Service and Support Representatives Receive Customer Service Certification (February 13, 2017) ... In keeping with its commitment to excellent customer support, Zurixx recently contracted Service Strategies Corporation to come to our Salt Lake City  
CONCLUSION: On April 22, 2021, in a UNANIMOUS DECISION authored by Justice Stephen Breyer, the Court found that the [FTC did NOT have the authority](#) under Section 13(b) ... of the FTC Act ... to seek equitable monetary relief, thus, OVERTURNING the lower court decisions and remanding the case back for review. Breyer wrote that the FTC could engage in other processes to seek monetary relief for consumers, or "it is, of course, free to ask Congress to grant it further remedial authority." The National Law Review said that the " ... decision will curtail the FTC's powers to seek restitution in court."

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