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9 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**

10 **IN AND FOR THE COUNTY OF MARICOPA**

11 STATE OF ARIZONA, *ex rel.*
12 MARK BRNOVICH, Attorney General,

13 Plaintiff,

14 v.

15 INT SOURCING LLC, an Arizona limited
16 liability company d/b/a INT SUPPLY
17 CENTER; PREMIERE OFFICE SUPPLIES
18 LLC, an Arizona limited liability company;
19 JAMES R. DEREMIAH, in his official
20 capacity as the managing member of INT
21 Sourcing LLC and Premiere Office Supplies
22 LLC; and JAMES R. DEREMIAH and
DOROTHY S. DEREMIAH, husband and
wife,

22 Defendants.

Case No: CV 2018-000023

**CIVIL COMPLAINT FOR INJUNCTIVE
AND OTHER RELIEF**

(Non-classified: Consumer Fraud)

24 Plaintiff, the State of Arizona, *ex rel.* Mark Brnovich, the Attorney General ("the State")
25 alleges as follows:
26

1 **I. JURISDICTION AND VENUE**

2 1. The State brings this action under the Arizona Consumer Fraud Act, A.R.S. § 44-
3 1521, *et seq.*, to obtain restitution, civil penalties, disgorgement of profits, injunctive relief,
4 attorney's fees and costs, and other relief to prevent the unlawful acts and practices alleged in
5 this Complaint and to remedy the consequences of past unlawful acts and practices.

6 2. This Court has jurisdiction under A.R.S. § 44-1528 to enter appropriate orders,
7 both before and following a determination of liability, to provide temporary and permanent
8 injunctive relief to prevent further occurrence of the unlawful acts and practices alleged in this
9 Complaint, and to provide other relief, including restitution, civil penalties, disgorgement of
10 profits, costs of investigation and attorney's fees.

11 3. Venue is proper in Maricopa County, Arizona pursuant to A.R.S. § 12-401.

12 **II. PARTIES**

13 4. Plaintiff is the State of Arizona, *ex rel.* Mark Brnovich, the Attorney General,
14 who is authorized to bring this action by the Arizona Consumer Fraud Act, A.R.S. § 44-1521, *et*
15 *seq.*

16 5. Defendant INT Sourcing LLC ("INT Sourcing"), which does business as INT
17 Supply Center, is an Arizona limited liability company that operated from at least December 21,
18 2012 to March 27, 2017 with its principal place of business in Maricopa County, Arizona.

19 6. Defendant Premiere Office Supplies LLC ("Premiere Office Supplies") is an
20 Arizona limited liability company that operated from at least August 8, 2016 to July 25, 2017
21 with its principal place of business in Maricopa County, Arizona.

22 7. Defendant James R. Deremiah resides in Maricopa County, Arizona. At all times
23 relevant to this Complaint, Defendant Deremiah directed, managed, and controlled INT
24 Sourcing and Premiere Office Supplies as the limited liability companies' sole member.

25 8. Defendant Dorothy S. Deremiah resides in Maricopa County, Arizona and is
26 named solely for any interest she possesses in her marital community with Defendant James R.

1 Deremiah.

2 9. "Defendants" collectively refers to Defendant INT Sourcing, Defendant Premiere
3 Office Supplies, Defendant James R. Deremiah, and Defendant Dorothy S. Deremiah.

4 10. Defendant James R. Deremiah had knowledge of and actively participated in the
5 acts and practices described in this Complaint both as an individual and as the sole member of
6 Defendant INT Sourcing and Defendant Premiere Office Supplies.

7 **III. DEFENDANTS' BUSINESS PRACTICES**

8 11. From approximately December 21, 2012 to July 25, 2017, Defendants solicited
9 payments for toner cartridges from schools, churches, and businesses ("consumers") across the
10 United States.

11 12. Defendants first would initiate contact with consumers by telephone.

12 13. The purpose of the initial telephone call was to obtain private information from the
13 consumer that would be included in a future invoice targeted at that consumer.

14 14. On the telephone call, Defendants would introduce themselves as the consumer's
15 copier or printer servicer or as a representative of a major office equipment company.

16 15. In fact, Defendants were not a servicer of the consumer's copier or printer, nor
17 were Defendants a representative of the major office equipment company that they claimed to
18 be.

19 16. Defendants then would request the name of the person with whom they were
20 speaking.

21 17. Defendants would include the name of the person with whom they spoke in their
22 future invoice to the consumer.

23 18. Defendants also would request the serial number of the consumer's copier or
24 printer and/or its make and model.

25 19. Defendants would determine the type of toner cartridge used by the consumer
26 through the serial number and/or make and model of the consumer's copier or printer.

1 20. Defendants would include the type of toner cartridge used by the consumer in their
2 future invoice to that consumer.

3 21. After concluding the telephone call with the consumer, Defendants then would
4 send the consumer an invoice by mail for toner cartridges.

5 22. Defendants intended that the consumer would remit payment to Defendants as a
6 routine business matter after receiving the invoice.

7 23. Upon information and belief, Defendants mailed out at least three versions of its
8 toner cartridge invoices. Three samples of Defendants' invoices are attached as Exhibit A,
9 Exhibit B, and Exhibit C.

10 24. From approximately December 21, 2012 to at least July 2016, Defendants mailed
11 invoices to consumers from "INT SUPPLY CENTER," a sample of which is attached as Exhibit
12 A ("Exhibit A Invoices").

13 25. The Exhibit A Invoices include the following characteristics:

- 14 a. "Invoice" printed in the upper-right corner in large, bold font;
- 15 b. An "Invoice #" included in the upper-right corner;
- 16 c. The consumer's name and address under "Bill To";
- 17 d. The consumer's name and address under "Ship To";
- 18 e. The consumer's telephone number under "Phone";
- 19 f. The words "Net 15" under "Terms"
- 20 g. The name of the individual with whom Defendants spoke during the initial
21 telephone call under "Contact";
- 22 h. The type of toner cartridge used by the consumer and "Shipping &
23 Handling" under "Description";
- 24 i. A charge of at least \$498.00 under "Price Each," totaling at least \$996.00
25 for two toner cartridges;
- 26 j. "PLEASE REMIT PAYMENT TO THE ADDRESS ABOVE" in the

1 bottom-left corner; and

- 2 k. A charge of at least \$1,050.00 next to the word "Total" in large, bold font at
3 the bottom-right corner.

4 26. From at least October 2016 to approximately April 2017, Defendants mailed
5 invoices to consumers from "PREMIERE OFFICE SUPPLIES," a sample of which is attached
6 as Exhibit B ("Exhibit B Invoices").

7 27. The Exhibit B Invoices are nearly identical to the Exhibit A Invoices, except that
8 the Exhibit B Invoices:

- 9 a. Are from "PREMIERE OFFICE SUPPLIES" not "INT SUPPLY
10 CENTER";
11 b. State in the bottom-left corner "PLEASE REMIT PAYMENT TO
12 ADDRESS ON THIS INVOICE" rather than "PLEASE REMIT
13 PAYMENT TO THE ADDRESS ABOVE"; and
14 c. Include at the bottom-left corner "WE ARE NOT AFFILIATED WITH
15 ANY OTHER SUPPLIER[.]"

16 28. From at least April 2017 to approximately July 2017, Defendants mailed invoices
17 to consumers from "PREMIERE OFFICE SUPPLIES," a sample of which is attached as Exhibit
18 C ("Exhibit C Invoices").

19 29. The Exhibit C Invoices are nearly identical to the Exhibit B Invoices, except that
20 the Exhibit C Invoices:

- 21 a. Include a box on the middle-right side which states "EXCLUSIVE
22 OFFER"; and
23 b. Include at the bottom-left corner "ALL SALES ARE FINAL AFTER 30
24 DAYS[.]"

25 30. Each version of Defendants' invoices as reflected by Exhibits A, B, and C was
26 designed to resemble, and did resemble, a bill to solicit payment for toner cartridges already

1 ordered or delivered.

2 31. However, none of the consumers ordered toner cartridges from Defendants before
3 receiving the toner cartridge invoices.

4 32. Also, none of the consumers received toner cartridges from Defendants before
5 receiving the toner cartridge invoices.

6 33. No consumer owed Defendants money for toner cartridges at the time of receiving
7 the toner cartridge invoice.

8 34. Consequently, each version of Defendants' invoices as reflected by Exhibits A, B,
9 and C are misleading and deceptive because they would induce a consumer to believe that it
10 owed money to Defendants.

11 35. In fact, hundreds of consumers sent checks to Defendants after receiving the toner
12 cartridge invoices.

13 36. In total, consumers paid over \$400,000 to Defendants as a result of the invoices.

14 37. After Defendants received payment from a consumer, Defendants would then mail
15 toner cartridges to that consumer.

16 38. The toner cartridges mailed to consumers by Defendants were available elsewhere,
17 often at one-tenth of the price paid by consumers.

18 39. Consumers would not have paid the exorbitant prices charged by Defendants for
19 toner cartridge if they had not been deceived by Defendants' invoices.

20 40. Defendants would then send the consumer another toner cartridge invoice, this
21 time requesting payment of over \$1,500.

22 41. Some consumers sent payment to Defendants on multiple occasions.
23

24 **VIOLATIONS OF THE ARIZONA CONSUMER FRAUD ACT, A.R.S. § 44-1521, et seq.**

25 42. The allegations set forth in the previous paragraphs are incorporated by reference
26 as though fully recited in the following paragraphs.

43. Defendants engaged in deception, deceptive or unfair acts or practices, fraud, false pretense, false promise, misrepresentation, or concealment, suppression or omission of material facts with intent that others rely on such concealment, suppression or omission, in connection with the sale or advertisement of toner cartridges in violation of the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521-1534, to wit:

44. Defendants misrepresented their identity to consumers over the telephone to elicit information that Defendants would then include in the invoices sent to consumers.

45. Defendants' invoices deceived consumers to believe they owed money to Defendants for toner cartridges already ordered or received.

46. For all violations alleged, Defendants knew or should have known that the acts, practices, and conduct described in this Complaint were deceptive, unfair, or constituted fraud, false pretenses, false promises, or misrepresentations to consumers under the Arizona Consumer Fraud Act.

47. For all violations alleged, Defendants acted willfully, as defined by A.R.S. § 44-1531(B), while engaging in the acts, practices, and conduct described in this Complaint.

48. Under A.R.S. §§ 44-1528 and -1531, Defendants' violations of the Arizona Consumer Fraud Act entitle the State to awards of restitution, civil penalties, disgorgement of profits, attorneys' fees and costs, investigative expenses, and any other relief necessary to prevent the unlawful actions and practices alleged in this Complaint and to remedy the consequences of past unlawful acts.

PRAYER FOR RELIEF

Wherefore, the State respectfully requests that the Court:

1. Enter an injunction against Defendants, their agents, employees, and all other persons or entities in active concert or participation with any of them, permanently prohibiting them from engaging in the unlawful acts and practices alleged in this Complaint and from doing

1 any acts in furtherance of such unlawful acts and practices, pursuant to A.R.S. § 44-1528(A)(1);

2 2. Order Defendants to restore to all persons any money and property acquired by
3 any unlawful means or practices alleged in the Complaint, as deemed appropriate by the Court,
4 pursuant to A.R.S. § 44-1528(A)(2);

5 3. Order Defendants to disgorge to the State of Arizona all profits, gains, gross
6 receipts, or other benefit acquired by any unlawful means or practices alleged in the Complaint,
7 pursuant to A.R.S. § 44-1528(A)(3);

8 4. Order Defendants to pay to the State of Arizona a civil penalty of up to \$10,000
9 for each willful violation of the Arizona Consumer Fraud Act, pursuant to A.R.S. § 44-1531;

10 5. Order Defendants to pay the State of Arizona its costs of investigation and
11 prosecution of this matter, including reasonable attorneys' fees, pursuant to A.R.S. § 44-1534;
12 and

13 6. Order such other relief as the Court deems just and proper.

14
15 RESPECTFULLY SUBMITTED: January 4, 2018.

16
17 MARK BRNOVICH,
18 ATTORNEY GENERAL

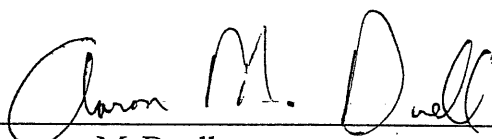
19
20 BY: 
21 Aaron M. Duell
22 Assistant Attorney General
23
24
25
26

EXHIBIT A

INT SUPPLY CENTER
PO BOX 21073
MESA, AZ. 85277
480-435-4796

Invoice

| Date | Invoice # |
|-----------|-----------|
| 5/25/2016 | 11852 |

| |
|------------|
| Bill To |
| [REDACTED] |

| |
|------------|
| Ship To |
| [REDACTED] |

| Phone | Terms | Rep | Ship | Via | Contact |
|------------|--------|-----|-----------|-----|---------|
| [REDACTED] | Net 15 | K | 5/25/2016 | UPS | VICKI |

| Quantity | Item Code | Description | Price Each | Amount |
|---|-----------|-------------------------|------------|------------|
| 2 | 6836 | TONER - SHARP MX 3610 N | 498.00 | 996.00 |
| 1 | Z-1000 | SHIPPING & HANDLING | 59.74 | 59.74 |
| PLEASE REMIT PAYMENT TO THE ADDRESS ABOVE | | | Total | \$1,055.74 |

EXHIBIT B

Invoice

PREMIERE OFFICE SUPPLIES
P.O. BOX 27343
TEMPE, AZ 85285
(602) 695-9769

| Date | Invoice # |
|------------|-----------|
| 12/30/2016 | 11616 |

| |
|-------------|
| Bill To |
| <div></div> |

| |
|-------------|
| Ship To |
| <div></div> |

| Phone Number | Terms | Rep | Est. Ship | Via | Contact |
|--------------|--------|-----|-----------|-----|---------|
| <div></div> | Net 15 | D. | 1/4/2017 | UPS | DEENA |

| Quantity | Item Code | Description | Price Each | Amount |
|----------|-----------|---------------------|------------|--------|
| 2 | 6050 | TONER CANON IR-3035 | 498.00 | 996.00 |
| 1 | Z-1000 | SHIPPING & HANDLING | 59.23 | 59.23 |

PLEASE REMIT PAYMENT TO ADDRESS ON THIS INVOICE. WE ARE NOT AFFILIATED WITH ANY OTHER SUPPLIER

Total


\$1,055.23


EXHIBIT C


Invoice

PREMIERE OFFICE SUPPLIES
P.O. BOX 27343
TEMPE, AZ 85285
(602) 695-9769

| Date | Invoice # |
|-----------|-----------|
| 6/16/2017 | 14043 |

| |
|---|
| Bill To |
|  |

| |
|--|
| Ship To |
|  |

| Phone Number | Terms | Rep | Est. Ship | Via | Contact | |
|---|--------|-----|-----------|-----|---------|-----------------|
|  | Net 15 | R | 6/21/2017 | UPS | ERICA | EXCLUSIVE OFFER |

| Quantity | Item Code | Description | Price Each | Amount |
|----------|-----------|----------------------|------------|--------|
| 2 | 6025 | TONER RICOH MP-C4504 | 498.00 | 996.00 |
| 1 | Z-1000 | SHIPPING & HANDLING | 57.23 | 57.23 |

PLEASE REMIT PAYMENT TO ADDRESS ON THIS INVOICE.. WE ARE NOT AFFILIATED WITH
ANY OTHER SUPPLIER
ALL SALES ARE FINAL AFTER 30 DAYS.

Total \$1,053.23