



CB in Brief



The Competition Bureau's Month in Review

July 2010

News

Alberta man convicted of GST refund fraud under Competition Act

In part owing to the assistance of the Alberta Partnership Against Cross-Border Fraud, of which the Competition Bureau is a member, an Alberta man has been found guilty of operating a fraudulent GST refund scheme that defrauded victims of \$3.6 million. Bradley O'Neil, who owned International Tax Refund Services, was convicted of one count of misleading representations under the Competition Act, and was convicted of fraud exceeding \$5000 and theft exceeding \$5000 under the Criminal Code. O'Neil misled tourists seeking GST refunds into believing they would receive their refund within days, when O'Neil instead reinvested the money in his business. There were more than 49,000 victims of O'Neil's scam between 1999 and 2003. Sentencing is scheduled for September 2010 in Airdrie, Alberta.

Competition Bureau Plays Key Role in Ending Scam Targeting Economically Vulnerable Victims

On July 22, 2010, the Federal Trade Commission (FTC) issued a [news release](#) recognizing the Competition Bureau's role in the FTC's settlement against Mutual Consolidated Services (MCS), a company that promoted "Rapid Debt Reduction" programs to Canadian and American consumers.

MCS falsely claimed that they would save consumers thousands of dollars by reducing credit card interest rates, enabling them to pay off their debt faster than under their current payment schedule.

The settlement order requires that MCS to pay approximately US\$1.5 million, which will be distributed to victims in Canada and the United States. The order also bans MCS from working in the debt relief industry, and prohibits them from misleading consumers or helping others to mislead consumers. In addition, MCS must comply with the FTC's [Telemarketing Sales Rule](#), which, among other things, prohibits them from calling consumers on the Do Not Call Registry.

- > CB in Brief is an electronic publication, distributed regularly to media and stakeholders to provide a snapshot of recent news and developments.
- > The Competition Bureau is an independent law enforcement agency that contributes to the prosperity of Canadians by protecting and promoting competitive markets and enabling informed consumer choice.



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Throughout the investigation, the Bureau provided significant assistance to the FTC by conducting interviews with victims, obtaining documents corroborating the activities in question and coordinating with the FTC's investigators. The Bureau and the FTC are members of the Vancouver Strategic Alliance, a joint partnership to fight deceptive marketing practices targeting individuals and businesses.

Recent Announcements

- **July 29, 2010**
[Competition Bureau Takes Action Against Spa Retailers For False Energy Efficiency Claims](#)
 - **July 28, 2010**
[Competition Bureau Requires Divestitures in Herbicide Merger](#)
 - **July 15, 2010**
[Criminal Charges Laid by Competition Bureau in Gas Price-Fixing Case](#)
- > For enquiries or information, please contact:
[Phil Norris](#) - Communications.