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KING COUNTY
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CASE #: 21-2-13929-5 SEA

STATE OF WASHINGTON
KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

GLOBAL GRID TELECOM, INC., an
Oregon Corporation, and HARRY H.
HART III, an individual,

Defendants.

NO.

COMPLAINT FOR INJUNCTIVE AND
OTHER RELIEF

Plaintiff, State of Washington, by and through its attorneys Robert W. Ferguson, Attorney General, and Mina Shahin, Assistant Attorney General, brings this action against Global Grid Telecom, Inc. and Harry H. Hart III (together, “Defendants”). The State alleges the following on information and belief:

I. INTRODUCTION

From May 2017 through December 2019, Defendants engaged in an unlawful robocalling campaign that used an automatic telephone dialing system to make 54,410 unsolicited commercial calls to Washington consumers, playing pre-recorded messages that offered alleged robocall-blocking services. Defendants’ robocalling campaign violated the Washington Automatic Dialing and Announcing Device Statute (WADAD), RCW 80.36.400, which is a *per se* violation of the Washington Consumer Protection Act (CPA), RCW 19.86.020.

1 Of those 54,410 robocalls, 46,332 were made to Washington telephone numbers on the Federal
2 Do Not Call Registry (DNC), which also violates the CPA. Further, the content of the robocalls
3 contained numerous deceptive solicitations as to the nature and cost of the services offered in
4 violation of the CPA.

5 **II. PARTIES**

6 2.1 The Plaintiff is the State of Washington.

7 2.2 Defendant Global Grid Telecom, Inc. ("Global Grid") is an Oregon Corporation
8 with its principal place of business at 370 SW Western Blvd., Suite C, Corvallis, Oregon. It is
9 registered to do business in Washington and its Unified Business Identifier Number is
10 603 282 225. At all times material to this Complaint, Global Grid conducted business through
11 its agents, employees, and representatives in the State of Washington, including King County.

12 2.3 Defendant Harry H. Hart III ("Mr. Hart") is a resident of Oregon State and the
13 founder, operator, and majority owner of Global Grid. At all times material to this Complaint,
14 acting alone or in concert with others, Mr. Hart formulated, directed, controlled, had the authority
15 to control, and participated in the acts and practices set forth in this Complaint. At all times
16 material to this Complaint, Mr. Hart transacted business in the State of Washington, including
17 King County.

18 2.4 Defendants, at all times relevant to this Complaint, engaged in trade or commerce
19 within the meaning of RCW 19.86.010.

20 **III. JURISDICTION AND VENUE**

21 3.1 This Complaint is filed and these proceedings are instituted under the provisions
22 of the CPA, RCW 19.86, and the WADAD, RCW 80.36.400.

23 3.2 The violations alleged in this Complaint were committed, in whole or in part,
24 throughout the State of Washington, including King County, Washington, by Defendants named
25 herein.
26

3.3 Venue is proper in King County pursuant to RCW 4.12.020 and 4.12.025, and Court Rule 82 because Defendants transacted business in King County, and provided services to consumers in King County.

3.4 The Attorney General has authority to commence this action as conferred by RCW 19.86.080, RCW 19.86.140, and RCW 80.36.400.

IV. FACTS

4.1 Mr. Hart founded Global Grid, a business that participates in the solicitation and sale of telecommunication services to consumers located in various states, including the State of Washington.

4.2 Global Grid was registered to do business in Washington State for a nearly uninterrupted period between 2000 and 2019. From 2000 to 2014, Global Grid operated in Seattle, Washington. Since 2014, Global Grid has operated at 370 SW Boulevard Suite C, Corvallis, Oregon.

4.3 In 2003, Global Grid obtained approval from the Washington Utilities and Transportation Commission to become a Competitive Local Exchange Carrier (“CLEC”) in Washington State. CLECs are telecom carriers authorized to interconnect their local network with the Public Switched Telephone Network (PSTN). CLECs buy services and line access from a PSTN network carrier.

4.4 Global Grid entered into an Interconnection Agreement with CenturyLink (fka Quest Corporation), a PSTN, in 2003 to purchase services and line access in the State of Washington.

Defendants' Robocalling Practices

4.5 As detailed below, Defendants made 54,410 unsolicited robocalls to Washington consumers. These calls played a pre-recorded message soliciting a robocall-blocking service.

4.6 CenturyLink's voicemail system has the ability for customers to send voice messages directly to another CenturyLink customer's voicemail box. This functionality can be

1 an added feature to a business voicemail account. At all times material to this Complaint,
2 Defendants had access to a CenturyLink business voicemail account with this function enabled.

3 4.7 From May 16, 2017 through December 12, 2019, Defendants used a CenturyLink
4 business voicemail account to send pre-recorded voice messages to CenturyLink customers with
5 Washington telephone numbers.

6 4.8 Mr. Hart wrote a program (hereinafter “Automatic Dialing Script”) that
7 interfaced with CenturyLink’s voicemail platform to automatically dial the telephone numbers
8 of Washington consumers and send a pre-recorded message directly to the consumer recipient’s
9 voicemail box once the call connection was made.

10 4.9 Defendants marked the voicemail messages as urgent, which required the
11 consumer to play the message before retrieving other new voicemail messages.

12 4.10 Defendants obtained the telephone numbers used to autodial consumers from
13 CenturyLink.

14 4.11 Defendants used Global Grid’s CLEC status to acquire these telephone numbers
15 from CenturyLink under the guise of requesting information required to discover the size and
16 scope of the market and determine if broadband service was available at an end user’s location.

17 4.12 CenturyLink did not provide Defendants with consumer telephone numbers for
18 the purpose of sending pre-recorded commercial solicitations to the consumers to whom the
19 telephone numbers belonged. The telephone numbers provided by CenturyLink at the request of
20 Defendants belonged to consumers who did not ask, request, or otherwise give permission that
21 Defendants contact them for commercial purposes.

22 4.13 Defendants used the Automatic Dialing Script to automatically dial the telephone
23 numbers of 20,591 Washington consumers and send a pre-recorded voicemail message to solicit
24 their services (“robocalling”). In total, Defendants made 54,410 robocalls to Washington
25 consumer telephone numbers.
26

1 4.14 Defendants repeatedly robocalled the same Washington telephone numbers.
2 Exactly 16,808 Washington consumers received more than one (1) robocall. In one instance,
3 Defendants robocalled the same Washington telephone number 23 times.

4 4.15 Defendants' robocall solicitation was an offer for a telephone service called
5 MAX[Command that, when added to a CenturyLink customer's telephone line, Defendants
6 represented would stop unwanted telephone calls. The following is an example of Defendants'
7 solicitation:

8 Please do not hang up. The voicemail system has an urgent
9 announcement for you regarding your security and the Federal
10 Trade Commission's National Do Not Call Registry. There's a new
11 telephone feature that you can add to your current CenturyLink
12 phone line that will screen and block robocalls and unwanted
telemarketers. To hear more or to speak with an agent press 88 after
this announcement or call 1-888-750-5004. For more details, or to
speak with someone directly, press 88 now.

13 4.16 Although the claims and representations made in the promotion varied, the pre-
14 recorded message always offered the same service and encouraged consumers to learn more
15 about the offer by dialing 88, which would transfer the consumer to Mr. Hart at Global Grid.

16 4.17 The robocall message did not provide an option to be removed from the call list
17 used by Defendants. In some instances, consumers who informed Defendants they no longer
18 wished to receive telephone solicitations continued to receive Defendants' robocalls.

19 4.18 In 2003, the Telemarketing Sales Rule (TSR), 16 C.F.R. Part 310, established the
20 DNC, maintained by the FTC. Consumers who do not wish to receive telemarketing calls can
21 register their telephone numbers on the DNC. The TSR prohibits sellers and telemarketers from
22 initiating or causing the initiation of an outbound telephone call to induce the purchase of goods
23 or services to numbers on the DNC.

24 4.19 Defendants made 46,332 robocalls to Washington telephone numbers on the
25 DNC for the purpose of inducing the purchase of their services.
26

Defendants' Deceptive Telephone Solicitations

4.20 From 2017 to 2019, Defendants solicited its MAX|Command service, using the robocall campaigns described in paragraph 4.5–4.19.

4.21 Defendants describe MAX|Command as a telephone control system. However, Defendants' service does not offer any unique features. All of the telephone control features provided by MAX|Command are actually provided by CenturyLink's voicemail system.

4.22 Defendants operate the MAX|Command service by obtaining authorization from a consumer to make changes to the consumer's telephone line, and then using the authorization to add telephone control features offered by CenturyLink.

4.23 In addition to adding features to customer's telephone lines, Defendants change the *98 (star-nine-eight) function on a Global Grid customer's account. As configured in CenturyLink's voicemail system, pressing *98 directs a customer to their voicemail account. Defendants would change the function so that *98 calls Global Grid's voice response unit (VRU). If its customers want to access their voicemail, they need to dial another star (i.e. star-nine-eight-star) to be routed back to their CenturyLink voicemail account.

4.24 If a Global Grid customer dials *98 and then after hearing the prompt "MAXCommand" dials *511 (star-five-one-one), they can dictate or dial a telephone number they want to block. Defendants then add that telephone number(s) to a list of blocked telephone numbers for that telephone line. The *511 function is the only call blocking feature offered by Defendants' MAX|Command service. Consumers could affect the same changes to their telephone line directly through CenturyLink.

4.25 Mr. Hart drafted all scripts used in Defendants' solicitations.

4.26 All solicitations direct consumers to speak with a Global Grid representative. The purpose of all solicitations was to sell Global Grid's MAX|Command service.

1 4.27 Defendants’ solicitations contained the following deceptive representations:

- 2 a. The offer was from CenturyLink. Nearly all solicitations identified the
3 message as a “voicemail system announcement.” All recipients had
4 CenturyLink voicemail accounts, yet CenturyLink did not send the
5 solicitation, nor had CenturyLink authorized the delivery of the message.
6 Many of the solicitations also referred to the advertised service as an
7 “upgrade” to consumers’ CenturyLink accounts or a new feature for
8 CenturyLink phone lines. Defendants made 54,404 robocalls containing
9 these deceptive representations.
- 10 b. The offer was associated with the federal government. Many of the
11 solicitations claimed the alleged announcement was regarding the DNC.
12 Defendants made 14,694 robocalls containing these deceptive
13 representations.
- 14 c. The robocall-blocking service offered was a “new” feature, or uniquely
15 offered by MAX|Command. As explained above, the call-blocking
16 function was already offered by CenturyLink and could be implemented
17 by the consumer without Defendants’ service. Defendants made 39,870
18 robocalls containing these deceptive representations.
- 19 d. MAX|Command would stop all robocalls, and would stop 90% to 100%
20 of telemarketers and unwanted calls. In fact, MAX|Command did not
21 prevent robocalls. Instead, it merely managed and added numbers to a list
22 of blocked numbers on the consumers’ telephone line. Defendants made
23 38,902 robocalls containing these deceptive representations.
- 24 e. The way in which MAX|Command provided its supposed call-blocking
25 service. Many of the solicitations represented that MAX|Command
26 eliminated unwanted calls by changing the voicemail access code from

1 *98 to *98* (star-nine-eight-star). However, as described in paragraph
2 4.24, the supposed call blocking service merely adds numbers to a
3 blocked caller list, a function the consumer could access without
4 MAX|Command. Defendants made 21,166 robocalls containing these
5 deceptive representations.

6 f. The cost of MAX|Command. Many of these solicitations stated that
7 “subscriptions start at just pennies per month,” yet failed to mention that
8 the consumer would need to pay an activation fee to Global Grid and a
9 programming fee to CenturyLink. Indeed, no consumer was charged less
10 than a dollar per month. Defendants made 9,575 robocalls containing
11 these deceptive representations.

12 g. Some of Defendants’ solicitations created a false sense of urgency. These
13 solicitations started by claiming the “voicemail system has an urgent
14 announcement.” There was no reason for the urgency, nor did the
15 announcement concern the call recipients’ voicemail systems. Defendants
16 made 2,055 robocalls containing this deceptive representation.

17 4.28 Defendants used a robocall campaign to solicit an alleged robocall-blocking
18 service to consumers across Washington State.

19 **V. FIRST CAUSE OF ACTION**
20 **(RCW 80.36.400 & RCW 19.86.020—Unfair Acts and Practices in the Use of an**
21 **Automatic Dialing and Answering Device)**

22 5.1 The State of Washington re-alleges Paragraphs 1.1 through 4.28 and incorporates
23 them as if set fully herein.

24 5.2 The use of an automatic dialing and announcing device for purposes of
25 commercial solicitation to Washington consumers is a violation of the Washington Automatic
26 Dialing and Announcing Device Statute (WADAD), RCW 80.36.400.

1 5.3 Defendants’ Automatic Dialing Script is an “automatic dialing and announcing
2 device” (ADAD) pursuant to RCW 80.36.400(1)(a).

3 5.4 “Commercial solicitation” under WADAD, means the unsolicited initiation of a
4 telephone conversation for the purpose of encouraging a person to purchase property, goods, or
5 services.” RCW 80.36.400(1)(b).

6 5.5 Defendants used the Automatic Dialing Script to play pre-recorded messages that
7 encouraged consumers to purchase their services. The purpose of these messages was to engage
8 the consumer in a telephone conversation with Defendants for the purpose of encouraging
9 consumers to purchase Global Grid’s services.

10 5.6 All of the calls that Defendants placed to consumers through the Automatic
11 Dialing Script were unsolicited because consumers who received the calls did not request or
12 otherwise give permission for Defendant to contact them for solicitation purposes.

13 5.7 Thus, Defendants used an ADAD for purposes of commercial solicitation to
14 Washington consumers, in violation of RCW 80.36.400.

15 5.8 Pursuant to the Consumer Protection Act (CPA), RCW 19.86.020, “unfair or
16 deceptive acts or practices in the conduct of any trade or commerce are hereby declared
17 unlawful.”

18 5.9 Pursuant to RCW 80.36.400(3), any violation of RCW 80.36.400 constitutes a
19 *per se* violation of the CPA.

20 5.10 Even if Defendants’ acts did not violate WADAD, Defendants’ conduct as
21 described herein constitutes unfair or deceptive acts or practices in trade or commerce in
22 violation of RCW 19.86.020, and are contrary to the public interest.

23 5.11 Plaintiff is entitled to relief under the CPA, including injunctive relief and
24 restitution pursuant to RCW 19.86.080, civil penalties pursuant to RCW 19.86.140 for each and
25 every violation of RCW 19.86.020, and reimbursement of the costs of this action, including
26 reasonable attorneys’ fees, pursuant to RCW 19.86.080.

1 **VI. SECOND CAUSE OF ACTION**
2 **(RCW 19.86.020—Unfair Acts and Deceptive Practices in Calling Consumers on DNC)**

3 6.1 The State of Washington re-alleges Paragraphs 1.1 through 5.11 and incorporates
4 them as if set fully herein.

5 6.2 Pursuant to the CPA, RCW 19.86.020, “unfair or deceptive acts or practices in the
6 conduct of any trade or commerce are hereby declared unlawful.”

7 6.3 Defendants’ telephone solicitations constitute unfair and/or deceptive acts or
8 practices in violation of the CPA, including but not limited to the following:

- 9 a. Calling Washington consumers on the DNC;
10 b. Deceptive representations to Washington consumers on the DNC to believe
11 that the call was from an entity that was allowed to solicit consumers on the
12 DNC;
13 c. Deceptive representations to Washington consumers on the DNC that the
14 caller was associated with the DNC; and
15 d. Calling Washington consumers who had previously told Defendants that
16 they no longer wish to receive solicitation calls.

17 6.4 The acts or practices described herein occurred in trade or commerce as defined in
18 RCW 19.86.010(2) because they included an offer to sell services to Washington consumers.

19 6.5 The acts or practices described herein impacted the public interest. These practices
20 constituted a pattern of conduct that Defendants committed in the course of business and for which
21 there is a real and substantial potential for repetition.

22 6.6 Based on the above unfair and/or deceptive acts and practices, Plaintiff is entitled
23 to relief under the CPA, including injunctive relief and restitution pursuant to
24 RCW 19.86.080, civil penalties pursuant to RCW 19.86.140 for each and every violation of
25 RCW 19.86.020, and reimbursement of the costs of this action, including reasonable attorneys’
26 fees, pursuant to RCW 19.86.080.

1 **VII. THIRD CAUSE OF ACTION**
2 **(RCW 19.86.020—Unfair Acts and Deceptive Practices in Telephone Solicitations)**

3 7.1 The State of Washington re-alleges Paragraphs 1.1 through 6.6 and incorporates
4 them as if set fully herein.

5 7.2 Defendants' telephone solicitations constitute unfair and/or deceptive acts or
6 practices in violation of the CPA, RCW 19.86.020, including but not limited to the following:

- 7 a. Deceptive representations that the solicitation was from CenturyLink;
8 b. Deceptive representations regarding the effectiveness of the call-blocking
9 service;
10 c. Deceptive representations regarding how the supposed call-blocking service
11 operated;
12 d. Deceptive representations that the robocall-blocking service offered in the
13 solicitation was a new service, or that it was uniquely offered by
14 MAX|Command;
15 e. Deceptive representations that the solicitations were associated with the
16 federal government;
17 f. Deceptive representations as to the cost of MAX|Command; and
18 g. Deceptive representations that the solicitations were urgent.

19 7.1 The acts or practices described herein occurred in trade or commerce as defined in
20 RCW 19.86.010(2) because they included an offer to sell services to Washington consumers.

21 7.2 These practices impacted the public interest. These practices constituted a pattern of
22 conduct that Defendants committed in the course of business and for which there is a real and
23 substantial potential for repetition.
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26

1 **VIII. PRAYER FOR RELIEF**

2 Wherefore, the State prays for the following relief:

3 8.1 That the Court adjudge and decree that Defendants have engaged in the conduct
4 complained of herein.

5 8.2 That the Court adjudge and decree that the conduct complained of herein constitutes
6 unfair or deceptive acts or practices in violation of the Consumer Protection Act, RCW 19.86.

7 8.3 That the Court issue a permanent injunction pursuant to the Consumer Protection
8 Act, RCW 19.86.080, enjoining and restraining Defendants and their representatives, successors,
9 assignees, officers, agents, servants, employees, and all other persons acting or claiming to act for,
10 on behalf of, or in active concert or participation with Defendants from continuing, engaging in, or
11 resuming the unlawful conduct complained of herein.

12 8.4 That the Court assess civil penalties, pursuant to RCW 19.86.140, against
13 Defendants for each and every violation of RCW 19.86.020 caused by the conduct complained of
14 herein.

15 8.5 That the Court make such orders pursuant to RCW 19.86.080 as it deems
16 appropriate to restore money or property unlawfully acquired by Defendants as a result of the
17 conduct complained of herein.

18 8.6 That the Court make such orders pursuant to RCW 19.86.080 to provide that the
19 Plaintiff, State of Washington, have and recover from Defendants the costs of this action,
20 including reasonable attorneys' fees.

21 8.7 That the Court award prejudgment interest on restitution, if any, awarded in this
22 case.

