



PRESS RELEASE

Colorado Department of Law
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**ATTORNEY GENERAL ANNOUNCES WORLD WIDE READERS AND RELATED
TELEMARKETERS DEFRAUDED CONSUMERS**

DENVER- Attorney General John Suthers today announced that the Denver District Court ordered Michael Brian Patterson (D.O.B. 08/27/79) and his company, World Wide Readers Service, to pay \$5 million in civil penalties and more than \$1 million in consumer restitution for their participation in a magazine telemarketing scam based in the Denver area.

“World Wide Readers collected more than \$1 million from consumers based on fraudulently procured ‘contracts’ for magazine subscriptions,” Suthers said. “If World Wide Readers is still collecting on any of these ‘contracts,’ they must cease collection immediately. The company may no longer engage in magazine telemarketing or purchase magazine ‘contracts’ without first providing copies of their telemarketing scripts, which must comply with the law, to our office.”

The scam began with phone calls to consumers by telemarketers employed by Patterson’s cousin, Henry Aragon (D.O.B. 10/03/70). The telemarketers called consumers who were already receiving magazines, misrepresenting an affiliation with magazine publishers and pretending that they were the company who was sending the consumer’s magazines. Using a carefully scripted three-step process, the telemarketers convinced consumers that they were calling to lower their monthly payments and tricked them into providing their credit card numbers. The telemarketers then used a recording device to create a recorded “verification,” which World Wide Readers would later claim was an oral contract under which the consumer had agreed to pay up to \$1,200 for magazines.

Henry Aragon sold the recorded “verifications” and the right to collect on the “contracts” to World Wide Readers. World Wide Readers then began to aggressively collect on the accounts, even though Patterson knew the “contracts” were procured by fraud. Using consumer information from its database, World Wide Readers placed additional calls to consumers, using the same deceptive techniques as Henry Aragon’s companies to deceive consumers into additional “contracts.”

The judgment represents the final resolution to a lawsuit the Attorney General brought in October 2011 against more than 20 different telemarketing companies owned and controlled by Patterson and several members of their extended family. These family members, who include Aragon, Raymond Makatura

(D.O.B. 12/17/27), Robert Makatura (D.O.B. 04/07/53), Lucille Makatura (D.O.B. 04/28/71), Lucille Aragon (D.O.B. 12/31/71), and Dorothy Gonzales (D.O.B. 07/15/73), have agreed to court orders barring them from magazine telemarketing in Colorado and requiring them to pay nearly \$1 million in additional penalties, restitution, and costs.

A complete list of the defendant companies is as follows: World Wide Readers Service, Inc.; Rocky Mountain Readers Service, Inc; Magazine/One, LLC.; Promo Readers Service, Inc; Readers Choice Service Inc; All City Circulations, Inc.; Magazine Connection, LLC; Magazine Club, LLC; Readers Source, LLC; Haragon Holdings, LLC; Haragon Holdings, Inc.; Family Publications, Inc; Increase Publications, LLC; I.N.C. & Associates; N R And Assoc. Inc.; Neighborhood Readers and Associates; National Readers and Associates; First Premier Subscriber Services, Inc; Crown Marketing, Inc.; Class Media, INC; H.J.H. Limited Liability Company; Consumer Network of America, LLC, Consumers of America.

Consumers who believe they are entitled to restitution should file a complaint with the Consumer Protection Section of the Colorado Attorney General's Office at www.coloradoattorneygeneral.gov or by calling 1-800-222-4444.

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