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## **NEWS RELEASE**

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### **INVESTMENT SCHEMES SPROUTING NEW HYBRIDS**

Idaho Joins Regulators from U.S. and Canada As Part Of "Field of Schemes" Campaign, Targeting Upsurge in Number and Variety of Investment-Related Frauds

BOISE, IDAHO -- Fraudulent telemarketing of investments is spreading to new fields -- from movie productions to Internet "shopping malls" to snail ranching -- and more traditional investment scams, such as pyramid schemes, are also on the rise. That's why Idaho securities regulators joined their counterparts from 20 states, 2 Canadian provinces, and the U.S. Federal Trade Commission (FTC) in a coordinated law-enforcement sweep announced today called "Project Field of Schemes." The campaign, comprising 61 law enforcement actions throughout North America, is designed to help mow down investment-related scams that are bilking small investors out of an increasing portion of the estimated \$40 billion lost to telemarketing fraud every year.

The Idaho Securities Bureau recently brought two lawsuits against companies and individuals selling "exotic" investments to Idahoans. In an action filed in the Fifth Judicial District in Rupert, Idaho, Cal-Pride Ostrich Farms, Inc., its president Steven DiPressi, and a salesman, Bill Evans, all of Agua Dulce, California, are alleged by the Department to have sold investment interests in ostrich farm partnerships to several Idahoans. Investors learned of the Cal-Pride offering through a television "infomercial" broadcast in Idaho.

The Department also initiated action against Larry E. Hunter and his companies, Bargain Hunter Network, Inc., Flameseal International, Inc., and American Venture-Eagle International, Inc., all based in Homedale, Idaho. The Department's complaint, filed in the Third Judicial District in Caldwell, Idaho, alleges that Hunter offered investment programs in conjunction with numerous multi-level marketing programs. The defendants are alleged to have misrepresented and omitted material facts in connection with the offering. Neither the securities nor the defendants were registered to sell securities according to the complaint.

Investors are advised that, before handing over any money for an investment, they find out if the salesperson is registered and if the investment itself is registered or exempt. This can be done by simply placing a phone call to the Idaho Securities Bureau and asking for the information. The Department can be reached at 208/332-8004 or toll-free within Idaho at 1-888-346-3378. The

Securities Bureau can also provide consumers with educational materials on how to protect against investment scams.