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For Release

# FTC Action Leads to Ban for Owners of Automators AI E-Commerce Money-Making Scheme

## Settlement requires scheme owners and operators to turn over millions in assets for refunds to consumers harmed by bogus earnings promises

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The owners of a money-making scheme that claimed to use artificial intelligence to boost earnings for consumers' e-commerce storefronts [have agreed to surrender millions](#) in assets to settle the FTC's case against them. In addition, all the businesses and two of their owners face a lifetime ban on selling business opportunities or coaching programs involving ecommerce stores.

In a case [filed in August 2023](#), the FTC charged that Roman Cresto, John Cresto, and Andrew Chapman along with multiple companies they controlled, including Automators AI, Empire Ecommerce, and Onyx Distribution, deceived consumers with unfounded promises of "passive investment income" in online storefronts supposedly powered by AI.

"The defendants lured consumers into investing millions in online stores supposedly powered by artificial intelligence and made empty promises that they could coach consumers into achieving success and profitability," said Samuel Levine, Director of the FTC's Bureau of Consumer Protection. "Today's action holds the defendants accountable for this scheme by banning them from the coaching business, barring bogus claims, and requiring redress to defrauded consumers."

[In its complaint](#), the FTC charged that the defendants offered consumers high returns from profitable e-stores. The defendants also offered to teach consumers how to successfully set up and manage e-stores on Amazon and Walmart themselves using a "proven system" and the powers of artificial intelligence.

The FTC alleged, however, that the vast majority of the defendants' clients did not make the promised earnings or even recoup their sizable investment. Instead, most lost significant amounts of money, and Amazon and Walmart routinely suspended, blocked, or terminated the stores that defendants operated for their clients for repeated policy violations.

The settlement order includes a number of requirements:

- **Permanent ban on offering business opportunities or coaching for e-commerce platforms:** Each of the defendants other than Chapman and his company, Pelenea Ventures, LLC, will be permanently banned from offering business opportunities or coaching services related to managing online marketplace e-commerce platforms.
- **Prohibition on deceptive earnings claims:** The order would also prohibit all defendants from making deceptive earnings claims and would require them to have evidence to back up any earnings claims they may make in the future.
- **Prohibition on preventing negative reviews:** The order would also prohibit all of the defendants from enforcing parts of their contracts that restricted their customers from leaving negative reviews about their companies or including such provisions in future contracts.
- **Turn over possessions:** The orders would require the defendants give up their claims to assets held by the receiver in the case, along with the contents of numerous bank and cryptocurrency accounts. These assets have a combined value of millions of dollars and will be used by the FTC to provide refunds to affected consumers.

The orders contain a total monetary judgment of \$21,765,902.65, which is partially suspended based on the defendants' inability to pay the full amount. If the defendants are found to have lied to the FTC about their financial status, the full judgment would be immediately payable.

The Commission vote approving the stipulated final order was 3-0. The FTC filed the proposed order in the U.S. District Court for the Southern District of California.

**NOTE:** Stipulated final orders have the force of law when approved and signed by the District Court judge.

The staff attorneys on this matter are Colleen Robbins, Christopher E. Brown, and Frances Kern of the FTC's Bureau of Consumer Protection.

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### Press Release Reference

[FTC Action Stops Business Opportunity Scheme That Promised Its AI-Boosted Tools Would Power High Earnings Through Online Stores](#)

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### Contact for Consumers

FTC Consumer Response Center  
877-382-4357  
<https://reportfraud.ftc.gov>

### Media Contact

Jay Mayfield [✉](#)  
Office of Public Affairs  
202-326-2656

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