



FEDERAL TRADE COMMISSION  
PROTECTING AMERICA'S CONSUMERS

Business Blog

## FTC moves to name TV real estate celebs Dean Graziosi and Scott Yancey in Nudge lawsuit

By: Lesley Fair | September 3, 2020 | [f](#) [t](#) [in](#)

Last year the [FTC and the Utah Division of Consumer Protection sued Nudge, LLC](#), and related companies and individuals, alleging they used bogus money-making claims to lure people into buying real estate training programs – a scheme the two agencies say ultimately took consumers for more than \$400 million. Soon after that, the parties entered into a stipulated preliminary injunction. The latest development in the case is that the [FTC is seeking to amend the complaint to add two celebrity real estate promoters as defendants](#). If you watch much real estate-related TV, the names may be familiar to you.

Dean Graziosi has appeared in infomercials promoting his books on real estate investing and Scott Yancey was the star of the show “Flipping Vegas” that aired on A&E between 2011 and 2014. According to the FTC, Nudge’s pitch began with ads for free seminars featuring Graziosi and Yancey that claimed to teach people a proven formula to make money by investing in real estate. But according to the FTC, the seminars didn’t deliver on the advertised how-tos and were part of a scheme to sell additional training and purportedly personalized coaching – often through telemarketing – that cost consumers tens of thousands of dollars. The FTC says Graziosi and Yancey were typically paid a percentage of the money spent by consumers who bought programs from Nudge after attending one of the seminars Graziosi and Yancey promoted, a compensation model that allegedly put \$10 million in each of the celebrities’ pockets.

According to the [proposed amended complaint](#), both Graziosi and Yancey were aware of many consumer complaints about the training and coaching programs. Indeed, some consumers took to the internet to post complaints calling them out by name. The FTC alleges that Graziosi and Yancey communicated with some of the Nudge defendants about trying to place positive reviews on sites like Yelp and Consumer Affairs to counter the negative reviews. For example, according to the FTC, Yancey suggested that the Nudge defendants direct attendees at their events to post reviews during lunch in order to “push” negative comments “down the chain.”

The [proposed amended complaint](#) alleges that Graziosi and Yancey violated the [Telemarketing Sales Rule](#) by providing substantial assistance or support to the Nudge defendants when the two promoters knew – or consciously avoided knowing – about Nudge’s deceptive practices.

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