

Mark W. Stafford, #13233  
Assistant Attorney General  
Office of the Attorney General  
Kansas Judicial Center  
Topeka, Kansas 66612-1597  
(913) 296-3751  
HASTINGS/MARKS

DISTRICT COURT  
JUDICIAL DISTRICT  
DEC 22 10 17 AM '92

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS  
Division 4

STATE OF KANSAS, ex rel.  
ROBERT T. STEPHAN, Attorney General,  
  
Plaintiff,  
  
vs.  
  
HASTINGS BOOKS, MUSIC & VIDEO, INC.  
  
Defendant.

Case No. 92CV1602

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 21st day of ~~November~~ December, 1992, the plaintiff's petition for approval of consent judgment comes before the court for consideration under K.S.A. 1991 Supp. 50-632(b). The State of Kansas ex rel. Robert T. Stephan, Attorney General, appears by and through Mark W. Stafford, Assistant Attorney General. The defendant appears by and through John L. Kratzer, Jr., of Hershberger, Patterson, Jones & Roth, Wichita, Kansas, and Jim House, Pro Hac Vice, of Gibson, Oschner & Adkins, Amarillo, Texas.

Whereupon, the parties advise the court that they have stipulated and agreed to the following matters:

1. Robert T. Stephan is the Attorney General of the State of Kansas.

2. Defendant is a Texas corporation, and does business within the State of Kansas. The defendant enters its voluntary general appearance. The defendant admits the court has jurisdiction over the parties and the subject matter.

3. The Attorney General alleges the following acts and practices by the defendant are violations of the Kansas consumer protection act and are deceptive:

a. By indicating on a price tag that the original price of the book, "Who's Afraid of Spiders" was \$7.95 and the discounted price was \$1.99 when the book had never been offered for sale at such original price by defendant, and when the publisher's suggested price was \$2.95, defendant has falsely represented the amount of the price reduction. Making a false representation of fact regarding the amount of a price reduction constitutes a deceptive act or practice, and a violation of the Kansas consumer protection act.

b. By sending to consumers by direct mail a coupon offering 40% off any computer software title without disclosing that such discount applied to the publisher's suggested price rather than the store's already reduced price which, in some cases was 40% less than the publisher's price, defendant has falsely represented the existence of the price reduction. Making a false representation of fact regarding the existence of a price reduction constitutes a deceptive act or practice, and a violation of the Kansas consumer protection act.

4. The defendant voluntarily agrees to this consent judgment without admitting liability and without trial or adjudication of any issue of fact or law.

5. The provisions of this consent judgment will be applicable to the defendant, and every employee, agent or representative of the defendant.

6. The defendant agrees to make available and/or disclose the provisions of this consent judgment to their employees, agents and representatives.

7. The defendant agrees to refrain from and to be enjoined from engaging in all acts and practices alleged to be deceptive by the State of Kansas in paragraph number three.

8. The defendant agrees to resolve all consumer complaints currently on file with the Attorney General's Office to the satisfaction of the Attorney General within thirty (30) days of the date of this consent judgment.

9. The defendant agrees to resolve all consumer complaints of practices alleged to be deceptive by the State of Kansas in paragraph number three, above, to the satisfaction of the Office of the Attorney General after the date of this consent judgment whether brought to defendant's attention by the State of Kansas or by consumers complaining directly to the defendant. Defendant shall apprise the State of Kansas, through the plaintiff, in a simple and concise manner, of the disposition of those complaints and disputes within thirty (30) days after resolved.

10. The defendant shall not enter into, form, organize or reorganize into any partnership, corporation, sole proprietorship or any other legal structures, for the purpose of avoiding compliance with the terms of this consent judgment.

11. The defendant agrees to pay \$3,000 in investigation fees and expenses to the Attorney General of the State of Kansas and \$4000 civil penalty to the State of Kansas at the time of filing this consent judgment. Payment will be by certified check.

12. The defendant agrees to make the following contributions to charities:

a. \$1,000 to Kansas School for the Deaf;

- b. \$1,000 to Topeka Food Bank;
- c. \$500 to Burlington Food Bank; and
- d. \$500 to Salvation Army Food (Coffeyville).

12. The defendant agrees to allow the Attorney General to inspect relevant business records in the future.

13. The defendant agrees to pay all court costs and filing fees.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the stipulation and agreement of the parties contained herein are adopted and approved as the findings of the court.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to the Kansas consumer protection act, and the provisions of K.S.A. 50-632(b), the court hereby approves the terms of the consent judgment and adopts the same as the order of the court.

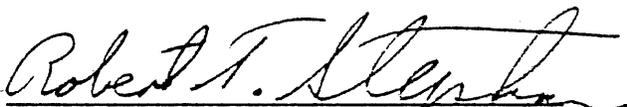
IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the defendant will pay all court costs and filing fees.

IT IS SO ORDERED.

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DISTRICT COURT JUDGE

Approved by:

  
ROBERT T. STEPHAN, #05340  
Attorney General

Mark W. Stafford, #13233  
Assistant Attorney General  
Kansas Judicial Center  
Topeka, Kansas 66612-1597  
(913) 296-3751

Attorneys for plaintiff

HASTINGS BOOKS, MUSIC & VIDEO, INC.

John L. Kratzer Jr.  
Hershberger, Patterson, Jones & Roth  
Suite 600  
100 S. Main St.  
Wichita, Kansas 67202-3779

and

Jim House  
Gibson, Oschner & Adkins  
500 First National Bank Building  
Amarillo, Texas 79101

Attorneys for Defendant

Defendant