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IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS

Division 4

STATE OF KANSAS, ex rel.

CARLA J. STOVALL, Attorney General

Plaintiff,

vs.

Case No. 96 CV 1440

Venture Stores, Inc.,

Petition Pursuant to K.S.A. Chapter 60

Defendant.

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 17 day of Dec 1996, Plaintiff's Petition for Approval of Consent Judgment comes before the Court pursuant to K.S.A. 50-632(b). Plaintiff, the State of Kansas, ex rel. Carla J. Stovall, Attorney General, appears by and through James J. Welch, Assistant Attorney General. Defendant Venture Stores, Inc., appears by and through Teresa A. Woody of Spencer Fane Britt & Browne, 1000 Walnut Street, Suite 1400 Kansas City, Missouri 64106-2140.

Whereupon, the parties advise the Court that they have stipulated and agree to the following matters:

- 1. Carla J. Stovall is the Attorney General of the State of Kansas.
- 2. The Attorney General's authority to bring this action is derived from the statutory and common law of the State of Kansas, specifically the Kansas Consumer Protection Act, K.S.A. 50-623 et seq.
- 3. Defendant Venture Stores, Inc. is a foreign corporation organized under the laws of the state of Delaware. The corporate office of the defendant is located at 2001 East Terra Lane, P.O. Box 110, O'Fallon, Missouri 63366-0110. Defendant Venture Stores, Inc. does business within the state of Kansas at the following seven locations: 5311 SW 22nd Place, Topeka, Kansas; 2057 North Rock Road, Wichita, Kansas; 350 South Tracy Street, Wichita, Kansas; 4301 State Street, Kansas City, Kansas; 4950 Roe Boulevard, Roeland Park, Kansas; 13110 West 62nd Terrace, Shawnee, Kansas; and 9600 Metcalf Avenue, Overland Park, Kansas.
- 4. Defendant is a supplier within the definition of K.S.A. 50-624(i) and has engaged in consumer transactions in Kansas within the definition of K.S.A. 50-624(c) and (h).
- 5. Defendant admits the Court has personal and subject matter jurisdiction over the parties.
- 6. Venue is proper in Shawnee County because an act or practice declared to be a violation of the Kansas Consumer Protection Act occurred in such county.
- 7. Defendant is a discount/department store which, during the summer of 1996, has offered and will offer steaks for sale, beginning during May, 1996.
- 8. The Attorney General alleges Defendant engaged in the following acts and practices which were deceptive and/or unconscionable and violate the Kansas Consumer Protection Act:
 - a. Defendant offered for sale and sold three types of steaks in

- quantities larger than one pound, representing the total price of such steaks without disclosing the price-per-pound. This constitutes a violation of K.S.A. §50-903(b)(4).
- b. Defendant advertised, and subsequently sold, three types of steaks as a special promotion. Advertisements represented that the price at which such steaks were advertised was a "sale" price, and/or that such steaks at that price were available for a limited time; however, because Defendant does not regularly sell steaks, there is no "regular" price. The price at which steaks were advertised is the only price at which steaks are sold for the duration of Defendant's promotion (3 to 5 months.) This is in violation of K.S.A. §50-626(b)(3), in that it is the willful failure to disclose the material fact that the price at which steaks were offered was neither a sale price, nor was the sale for "5-days-only," as advertised.
- 9. Defendant, by entering into this Consent Judgment, shall not be deemed to admit the violations of the Kansas Consumer Protection Act alleged herein.
- 10. Defendant voluntarily agrees to this Consent Judgment without trial or adjudication of any issue of fact or law.
- 11. Defendant agrees to refrain from and to be permanently enjoined from engaging in those acts and practices alleged to be deceptive or unconscionable in paragraph eight (8) of this Consent Judgment, and Defendant agrees that engaging in such acts or similar acts, after the date of this Consent Judgment, shall constitute a violation of this Order.
 - 12. The parties agree that this Consent Judgment resolves all issues under the

Kansas Consumer Protection Act relating to the acts and practices alleged to be deceptive or unconscionable in paragraph eight (8) of this Consent Judgment up through the date of the execution of this Consent Judgment. Pursuant to the terms of this Consent Judgment, the Kansas Attorney General agrees that she and her office will not pursue any claims, demands, or civil causes of action under the Kansas Consumer Protection Act or other civil statutes, if any, against Venture Stores, Inc. for the acts and practices alleged to be deceptive or unconscionable in paragraph eight (8) of this Consent Judgment up through the date of the execution of this Consent Judgment, excepting only any action which may be required to enforce the provisions of this Consent Judgment as set forth in paragraph 19 below.

- 13. Defendant agrees to make available and/or disclose the provisions of this Consent Judgment within ten days to its Kansas store managers, its Kansas assistant store managers, and its Head of Advertising at Venture Stores Corporate Headquarters in O'Fallon, Missouri within ten days of signing the Consent Judgment.
- 14. In the event that the Office of the Attorney General in the future receives complaints constituting an alleged violation of this Consent Judgment with respect to the sale of beef and/or poultry, the Office of the Attorney General will notify Defendant of such alleged violation. Defendant will have thirty (30) days after notification of such alleged violation to resolve such alleged violation to the satisfaction of the Attorney General. The Attorney General agrees not to file any enforcement action pursuant to the provisions of this Consent Judgment as set forth in paragraph 19 below prior to the expiration of said 30 days in the event that the parties hereto cannot resolve the alleged violation within thirty (30) days, the Attorney General may pursue any action for enforcement as set forth in paragraph 19 below. Defendant designates corporate counsel Randi Morrison, or her successor, as the person to receive notification of any

such alleged violations of this Consent Judgment.

- Defendant agrees to be permanently enjoined from entering into, forming, organizing or reorganizing into any partnership, corporation, sole proprietorship or any other legal structures, for the purpose of avoiding compliance with the terms or this Consent Judgment.
- 16. Defendant agrees to pay \$ 15,000.00 in investigation fees and expenses to the "Office of the Attorney General" of the State of Kansas and \$ 1,000.00 in investigative fees and expenses to the "Office of the Sedgwick County District Attorney." In addition, Defendant agrees to pay a \$9,000.00 charitable donation to a charity or charities chosen by the Attorney General and \$ 5,000.00 in civil penalties to the "State of Kansas." Payment shall be made by certified checks ind shall be delivered to the Attorney General of the State of Kansas at the time of signing this Consent Judgment.
- 17. Defendant agrees to pay all expenses and reasonable attorney's fees in connection with the collection of any amounts in this judgment, provided Defendant does not pay the amounts as agreed herein within the time frame stated.
- 18. Defendant agrees to maintain all business records at its corporate office in O'Fallon, Missouri regarding the sale of beef and poultry products in the State of Kansas by Venture Stores, Inc. for a period of five years and to allow the Attorney General to inspect all of Defendant's business records in the future regarding the sale of beef and poultry products in the State of Kansas.
- 19. Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Consent Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the modification of any of the provisions hereof, for the enforcement of Compliance herewith, and for the

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punishment of violations thereof.

- 20. If any portion, provision, or part of this Consent Judgment is held to be invalid, unenforceable, or void for any reason whatsoever, that portion shall be severed from the remainder and shall not affect the validity or enforceability of the remaining provisions, portions or parts.
- 21. Compliance with this Consent Judgment does not relieve Defendant of any obligation imposed by applicable federal, state, or local law, nor shall the Attorney General be precluded from taking appropriate legal action to enforce civil or criminal statutes under her jurisdiction.
- 22. The parties understand that this Consent Judgment shall not be construed as an approval of or sanction by the Attorney General of the business practices of Defendant nor shall Defendant represent the decree as such an approval. The parties further understand that any failure by the State of Kansas or by the Attorney General to take any action in response to any information submitted pursuant to the Consent Judgment shall not be construed as an approval of or sanction of any representations, acts or practices indicated by such information, nor shall it preclude action thereon at a later date.

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 fact and conclusions of law of the Court and any monies owed hereunder by Defendant immediately become a judgment upon filing.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against Defendant in favor Plaintiff in the amount of \$ 30,000.00.

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 SO ORDERED.

NON FRANKEN THEIS
DISTRICT COURT JUDGE
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Approved by:

Carla J. Stovall, #1/1433

Attorney General

James J. Welch, #09546

Assistant Attorney General

Kansas Judicial Center

Topeka, Kansas 66612-1597

(913) 296-3751

Attorney for Plaintiff

Venture Stores, Inc.

By: Russell Solt, Executive Vice President

Finance and Administration

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O'Fallon, Missouri 63366-0110

Defendant

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Spencer Fane Britt & Browne

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Attorney for Defendant