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IN THE DISTRICT COURT OF JOHNSON COUNTY, KANSAS
Division Four

STATE OF KANSAS, *ex rel.*)
CARLA J. STOVALL, Attorney General)
)
Plaintiff,)
)
vs.)
)
JASON BRADLEY GROVER,)
)
Defendant.)

Case No. 97C11337

Petition Pursuant to K.S.A. Chapter 60

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 15th day of October, 1997, 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 Jason Bradley Grover appears by and through J. Charles Droege.

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 Jason Bradley Grover is an individual doing business as Vision Ventures and Vision Ventures, Inc. Defendant may be served at his last known address, 3095 Pecan Lake Drive #207 in Memphis, Tennessee 38115, or wherever he may be found.

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 Johnson County because acts and practices declared to be a violation of the Kansas Consumer Protection Act occurred in such county and because Defendant has no principal place of business in the state of Kansas.

7. Defendant has offered for sale and sold stereo speakers to Kansas consumers.

8. The Attorney General alleges and Defendant admits Defendant engaged in the following acts and practices which are deceptive and/or unconscionable and violate the Kansas Consumer Protection Act:

- a. Defendant offered stereo speakers for sale to consumers within the State of Kansas and provided consumers with literature promoting said speakers. A true and correct copy of such literature is attached hereto and marked as Exhibit A.
- b. Defendant's promotional literature represents that speakers for sale have benefits such as "90 dB/w/m and 92 dB/w/m sensitivity, 8 ohms nominal impedance, power handling: 125 watts, 5 watts minimum power, 12 in. High Compliance Woofer, 4 in. Sealed chamber Mid-range, and 25mm soft dome tweeter"; however, these labels, in and of themselves, are ambiguous and meaningless, without more information to the consumer.
- c. The representation of the above-named benefits is the willful use of ambiguity as to a material fact, in violation of K.S.A. §50-626(b)(2). This

representation is also in violation of K.S.A. §50-627(b)(1), in that Defendant took advantage of the inability of the consumer reasonably to protect the consumers' interests because of consumers' ignorance of such terms used in describing the speakers.

- d. Defendant made oral and written representations to consumers that the suggested retail price of the stereo speakers was between \$849.00 and \$1,700.00, but that the consumer could purchase said speakers from Defendant for less than this amount. However, Defendant has never sold said speakers for \$849.00 or \$1,700.00, nor is Defendant aware of said speakers being sold by anyone else for this amount. This is in violation of K.S.A. §50-626(b)(3), in that Defendant willfully failed to state a material fact, or willfully concealed suppressed or omitted such material fact.
- e. Defendant represented to consumers that the suggested retail price of the stereo speakers was between \$849.00 and \$1,700.00, when the actual retail value of such speakers is \$100.00 or less. This is in violation of K.S.A. §50-627(b)(2), in that, when these consumer transactions were entered into, the price of the speakers grossly exceeded the price at which similar speakers were readily obtainable in similar transactions by similar consumers.
- f. Defendant is in violation of K.S.A. §50-627(b)(5), in that the transaction Defendant induced consumers to enter into was excessively one-sided in favor of Defendant.
- g. The consumer transactions Defendant engaged in constituted door-to-door sales, as defined by K.S.A. §50-640(c).
- h. Defendant failed to provide consumers with a fully completed receipt of copy of a receipt or contract which included a notice-of-cancellation, and

failed to inform consumers orally or such right of cancellation, in violation of K.S.A. §50-640(b)(2).

9. Defendant voluntarily admits liability and agrees to this Consent Judgment without trial or adjudication of any issue of fact or law.

10. Defendant agrees to refrain from and to be permanently enjoined from doing business as a supplier (within the definition of the Kansas Consumer Protection Act, K.S.A. §50-624(i)) within the State of Kansas, and Defendant agrees that engaging in business as a supplier within the State of Kansas, after the date of this Consent Judgment, shall constitute a violation of this Order.

11. The provisions of this Consent Judgment will be applicable to Defendant, and every employee, agent or representative of Defendant.

12. Defendant agrees to make available and to disclose the provisions of this Consent Judgment to his employees, agents and representatives within five days of signing the Consent Judgment.

13. Defendant agrees to resolve any future complaints filed with the Office of the Attorney General regarding Defendant after the date of this Consent Judgment to the satisfaction of the Attorney General within 30 days of the date such complaint is forwarded to Defendant for resolution.

14. 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 of this Consent Judgment.

15. Defendant agrees to pay \$850.00 in investigation fees and expenses to the "Office of the Attorney General" of the State of Kansas. In addition, Defendant agrees to pay \$850.00 in civil penalties to the "State of Kansas".

16. Defendant agrees to forfeit all cash and merchandise detained by the Shawnee, Kansas Police Department, including 8 stereo speakers and \$1,700.00 cash. Parties agree that

forfeiture of such cash and merchandise shall constitute payment in satisfaction of this Consent Judgment. The Court specifically authorizes the Shawnee, Kansas Police Department to release to the Kansas Attorney General's Office all property held under case number 97-01058. The Court further authorizes the Attorney General to dispose of the non-cash property by sale or gift, in accordance with K.S.A. §50-628(a)(6). If, within the discretion of the Attorney General, the non-cash items are sold, the proceeds shall be apportioned equally to civil penalties and investigative fees.

17. 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 punishment of violations thereof.

18. 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.

19. 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.

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 \$1,700.00.

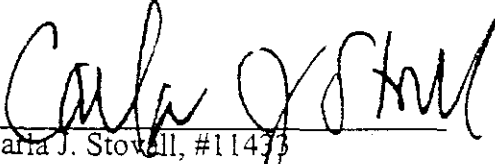
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to the Kansas Consumer Protection Act, and the provisions of K.S.A. §50-632(b), the Court hereby approves the terms of the Consent Judgment and adopts the same as the order of the Court.

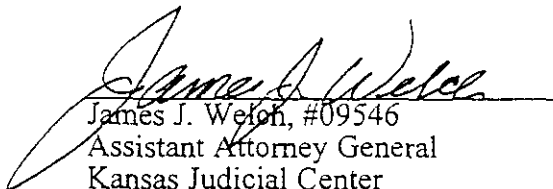
IT IS SO ORDERED.

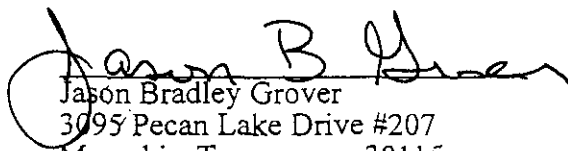
GERALD T. ELLIOTT

DISTRICT COURT JUDGE

Approved by:


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