

# **CONSUMER PROTECTION IN KANSAS**

**1990**



**Annual Report of the Consumer Protection Division  
OFFICE OF ATTORNEY GENERAL  
ROBERT T. STEPHAN  
State of Kansas**

Submitted pursuant to K.S.A. 50-628.

## INTRODUCTION

In 1990, Attorney General Robert T. Stephan's Consumer Protection Division continued to see an increase in the number of written consumer complaints it received. This is a direct result of increased enforcement and education by the Attorney General's Consumer Protection Division. The Consumer Protection Division received more than 5,300 formal complaints and 3,000 written inquiries. Through its mediation efforts as well as settlements and actions filed to enforce violations of the Kansas Consumer Protection Act, the division saved consumers more than \$1.3 million.

Legal actions were taken to correct gasoline mislabeling, deceptive advertising by resorts, car dealers and telemarketers, and to provide consumers with goods and services which were promised but never delivered.

Attorney General Stephan continues his program of requesting those who violate the Kansas Consumer Protection Act to make donations to Kansas charities which provide food and shelter for the needy. Charitable organizations such as food banks and shelters for the state's poor, battered women and children and cancer patients have benefited from this effort.

In addition to enforcement and settlement activities, the Attorney General's Consumer Protection Division continues its aggressive campaign to educate consumers throughout Kansas by speaking to schools, civic groups and community organizations.

To further heighten consumer awareness, a weekly newspaper column entitled "Consumer Corner" is sent to more than 200 newspapers throughout Kansas. A radio version of "Consumer Corner" is also offered for use by Kansas radio stations. Thousands of Kansas consumers are able to view samples of consumer rip-offs and scams as well as speak with Attorney General Stephan, attorneys and special agents of the Consumer Protection Division while visiting the Attorney General's Consumer Protection booth each year at the Kansas State Fair in Hutchinson.

The Attorney General's Consumer Protection Advisory Council, made up of five persons from each of the state's five congressional districts, continues an active role in advising the Attorney General and the Consumer Protection Division as to those issues which affect the public. Members of the Council assist consumers in their home towns with consumer protection problems as well as assist the Consumer Protection Division by speaking to community groups. The Consumer Council has played an active role in recommending consumer protection legislation to the Attorney General which may be introduced in the Kansas legislature so that it may benefit all Kansas consumers.

**CATEGORIES OF NEW COMPLAINTS**

Complaints filed	5,342
Complaints closed	5,697
Written inquiries	3,028
Total annual savings	\$1,359,812

	Complaints Received	Percent of Total
Miscellaneous	113	2.12%
Advertising	208	3.89%
Appliances	65	1.22%
Automobiles	1,030	19.28%
Boats, Boating Equipment, Repairs, etc.	15	0.28%
Book, Record and Tape Clubs	46	0.86%
Business Opportunity Services	30	0.56%
Cable Television	33	0.62%
Clothing	11	0.21%
Cemeteries	29	0.54%
Collectibles/Antiques	10	0.19%
Collection Practices	155	2.90%
Computers	43	0.80%
Contests	280	5.24%
Credit Reporting Agencies	7	0.13%
Credit Code	88	1.65%
Dance Clubs	1	0.02%
Discount Buying Clubs	29	0.54%

	Complaints Received	Percent of Total
Door-to-Door Sales	45	0.84%
Education	19	0.36%
Encyclopedias	4	0.07%
Employment Services	9	0.17%
Energy Savings Devices	6	0.11%
Failure to Furnish Merchandise (Other Than Mail Order)	37	0.69%
Farm Implements/Equipment	35	0.66%
Fire, Heat & Smoke Alarms	5	0.09%
Floor Coverings	22	0.41%
Food Products	3	0.06%
Fund Raising (Charities, etc)	13	0.24%
Funeral Homes	5	0.09%
Furniture	62	1.16%
Gasoline Prices	9	0.17%
Gasoline Content	4	0.07%
Government Agencies	1	0.02%
Health Services (Doctors, Dentists, Hospitals, etc.)	73	1.37%
Health Spas and Weight Salons	46	0.86%
Hearing Aids	33	0.62%
Heating and Air Conditioning	34	0.64%
Home Improvements	182	3.41%
Home Construction	24	0.45%
Hypnosis (Smoking, Weight Loss, etc)	1	0.02%

	Complaints Received	Percent of Total
Invoice and Billing Schemes (Noncredit Code)	2	0.04%
Interest Rates and Lending Companies		
(Other Than Credit Code)	2	0.04%
Jewelry	21	0.39%
Kitchenware	1	0.02%
Land Sales (Subdivided Kansas)	156	2.92%
Landlord/Tenant	3	0.06%
Loan Finders	34	0.64%
Lotteries	1	0.02%
Magazines	241	4.51%
Mail Order Companies	1,182	22.13%
Mobile Home and Campers (Sales/Service)	23	0.43%
Mobile Home Parks	1	0.02%
Mortgages	28	0.52%
Mortgage Escrow Problems	35	0.66%
Motorcycles and Bicycles	13	0.24%
Moving and Storage	19	0.36%
Multi-level and Pyramid Distributorship Companies	14	0.26%
Musical Instruments, Lessons, etc.	2	0.04%
Nurseries, Gardening Equipment, etc.	1	0.02%
Office Equipment and Supplies	12	0.22%
Pest Control	14	0.26%

	Complaints Received	Percent of Total
Pets/Animals	33	0.62%
Product Safety	1	0.02%
Photo Equipment and Services	19	0.36%
Photo Studios and Companies	48	0.90%
Rebates	20	0.37%
Real Estate (Houses)	33	0.62%
Real Estate (Other Than Houses)	7	0.13%
Satellite Dishes	7	0.13%
Securities and Investments		
(Other Than Stocks and Bonds)	16	0.30%
Services (General)	146	2.73%
Services (Professional)	2	0.04%
Sewing Machines	3	0.06%
Sporting Goods	2	0.04%
Steel Buildings	4	0.07%
Stereos and Record Players	4	0.07%
Television and Radios	24	0.45%
Timeshare Sales	109	2.04%
Toys	2	0.04%
Trade & Correspondence Schools	9	0.17%
Travel Agencies	38	0.71%
Travel and Transportation	47	0.88%
Utilities	29	0.54%

	Complaints Received	Percent of Total
Vending Machines	7	0.13%
Warranty Problems	23	0.43%
Water Softeners, Conditioners, Purifiers, etc.	14	0.26%
Work-at-Home Schemes	<u>25</u>	<u>0.47%</u>
Total	5,342	100.00%

DISPOSITION OF CLOSED COMPLAINTS

	Complaints Closed	Percent of Total
Inquiry or Information Only	72	1.26%
Referred to Private Attorney	356	6.25%
Referred to County/District Attorney	25	0.44%
Referred to Other Attorney General	331	5.81%
Referred to Other Kansas Agency	31	0.54%
Referred to Small Claims Court	447	7.85%
Referred to Federal Agency (FTC, Post Office, etc.)	147	2.58%
Money Refunded/Contract Cancelled	1,544	27.10%
Merchandise Delivered	291	5.11%
Repaired/Replaced	135	2.37%
Mediation Only -- No Savings	436	7.65%
No Reply From Complainant	389	6.83%
Unable to Locate Respondent	86	1.51%
Practice Discontinued	22	0.39%
Respondent Out of Business	297	5.21%
No Basis	101	1.77%
No Jurisdiction	440	7.72%
Insufficient Evidence	58	1.02%
Withdraw	102	1.79%

	Complaints Closed	Percent of Total
<b>Unable to Satisfy Complainant -- Further</b>		
Action Not Warranted	20	0.35%
Other	59	1.04%
<b>Lawsuit Complaint Files</b>		
Insufficient Evidence	1	0.02%
Money Refunded/Contract Concluded	22	0.39%
No Jurisdiction	1	0.02%
Practice Discontinued	9	0.16%
Repaired/Replaced	1	0.02%
Respondent Enjoined	232	4.07%
Respondent Not Found	1	0.02%
Other	<u>41</u>	<u>0.72%</u>
Total Cases Closed	5,697	100.00%

## SUMMARY OF 1990 LAWSUITS

### STATE, ex rel., v. WAL-MART d/b/a HYPERMART U.S.A.

Defendants operate a gas station convenience center in the parking lot of the Hypermart superstore in Topeka. After spot inspections by the Board of Agriculture inspectors, it was determined that Hypermart was advertising the octane of its regular leaded gasoline at a level higher than the octane actually contained in the fuel. The octane stickers placed by Hypermart on the gasoline pumps indicated that the regular gasoline had an octane level of 89. Tests conducted on separate occasions indicated that the octane level of the regular leaded fuel being sold was in fact 88. Bills of lading which were delivered to Hypermart with the fuel clearly indicated the octane level to be 88.

A lawsuit was filed in Shawnee County District Court in October, 1990 alleging that the defendants knew or should have known that the octane level in the fuel they received accompanied by the bills of lading was in fact not 89 as posted on the pumps.

Discovery is currently ongoing in the case.

STATE, ex rel., v. LEWIS STANDARD (Burlington, KS)

STATE, ex rel., v. WHOLESALE SERVICE (Osborne, KS)

STATE, ex rel., v. STUCKEY'S (Grinnell, KS)

STATE, ex rel., v. WILHELM SERVICE (Russell, KS)

STATE, ex rel., v. CONVENIENCE PLUS #3 (Ulysses, KS)

STATE, ex rel., v. GATEWAY GAS (Osawatomie, KS)

STATE, ex rel., v. MIDWAY COOP (Mankato, KS)

All of these defendants entered into Consent Judgments with the state after inspectors of the Board of Agriculture determined that these gasoline stations were either misrepresenting the amount of lead or the octane level of the fuels being sold. All defendants entered into the Consent Judgments in September, 1990 and each paid a \$250 civil penalty and reimbursed the state in the amount of \$250 for investigation expenses and fees.

STATE, ex rel., v. INTERNATIONAL WORLD TRAVEL,  
INC. a/k/a TRANSWORLD TRAVEL, INC.,  
WILLIAM H. MAURER and RUSSELL SKOLNICK

Defendants set up shop selling timeshares from 1986 until 1988 in the Kansas City area. Their tactics were very hard-sell and high pressure. People purchased timeshare weeks from defendants at prices ranging from \$1,500 to over \$10,000. The first problems arose when the "home-base" location of LaPosada in San Carlos, Mexico discontinued its agreement with International World Travel. International World Travel quickly substituted three other resorts, Puerto Vallarta, Mexico, Scottsdale, Arizona and the Ozarks. Besides concern that the resort with which the consumers were persuaded to join International World Travel was no longer available, and accusations of fraud by the LaPosada resort owner, other problems became apparent. Consumers were having trouble booking vacations, even at their "home-base" resort, and even with months of notice. Also, the promises of wonderful exchange locations all over the world proved to be untrue for many consumers. Poor service and last minute confirmations, if at all, became the standard.

A few consumers were told they would receive refunds, but those promises, as well, were unfulfilled. Suit was filed in early 1989. Motions and arguments were filed and heard, and the case was proceeding in discovery until counsel for the defendants withdrew. At that point, cooperation declined until the state filed a motion for default judgment. That motion was heard in December and the state was awarded judgment for \$399,078.78 in restitution to consumers, civil penalties in the amount of \$96,000 and \$15,000 for reasonable investigative fees and expenses. No money has been collected on this judgment, and recovery prospects are poor.

STATE, ex rel., v. DANIEL E. MARTIN

The defendant in this lawsuit advertised custom car body parts in a trade magazine. A Kansas consumer responded and paid for the body, which was never delivered to him as per the agreement. Defendant promised a refund on numerous occasions, but has never paid it. Defendant did not appear at the trial scheduled for late January, 1990. Default judgment was obtained for \$1,176 actual damages, \$2,000 civil penalties and \$500 investigative fees. No recovery has been obtained for this amount.

STATE, ex rel., v. GREENCREST MEMORIAL  
GARDENS, INC., GREENCREST SERVICE CORPORATION,  
BOARD OF COUNTY COMMISSIONERS OF FORD COUNTY,  
J. GREGORY SWANSON and ANY UNKNOWN  
CEMETERY CORPORATIONS

This suit was filed in order to have the cemetery declared abandoned pursuant to the cemetery corporation statutes. The complaints stem from lack of care of the cemetery. A motion for summary judgment was filed and denied. The case was tried and the cemetery was declared abandoned, cancelling the mortgage which existed on the property. Ford County has now taken over the care of the cemetery. No further complaints have been received.

STATE, ex rel., v. TED SHUMAKER  
d/b/a AUGUSTA AUTO SALES

This lawsuit stems from one consumer complaint wherein the consumer's car showed 70,000+ miles on the odometer, the contract and the Federal Odometer Statement, but a title history revealed the car had 170,000+ miles on it. This material fact was not disclosed to this consumer. The case was settled with the consumer receiving a buy back of the vehicle plus \$400. No civil penalties and no investigative fees or expenses were collected.

STATE, ex rel., v. JAMES JOSEPH TROMETER  
and BOULEVARD AUTO CREDIT

Boulevard Auto Credit cars were sold by Joe Trometer from his home in Lawrence, Kansas. Boulevard Auto Credit is located in Kansas City, Missouri. Neither Boulevard Auto Credit nor Trometer are licensed car dealers in Kansas. Trometer sold the cars to individuals without disclosing the dealership affiliation.

Defendant Trometer left the area and service was never obtained. Defendant Boulevard Auto Credit was served and filed an answer. The trial was scheduled for December. Defendant Boulevard Auto Credit offered to settle and agreed to a consent judgment for \$3,000 investigative fees. The Attorney General wrote and the legislature passed a law requiring that car dealers disclose in their advertisements the fact that they are a dealer.

STATE, ex rel., v. HOWARD J. DANZIG,  
OMNI PROMOTIONS, LTD. d/b/a ASSOCIATED  
MIDWEST TALENT

Defendant solicited for potential models. A consumer responded to the advertisement and was asked to have a portfolio of photos taken. The pictures were taken and paid for, but never delivered. The defendant moved to the St. Louis area where we were unable to locate him. The lawsuit was dismissed without prejudice for lack of service.

STATE, ex rel., MATNEY, et al.

This action was filed in November, 1980, and sought a variety of remedies, including actual damages and injunctive relief under the Kansas Consumer Protection Act. It was alleged the defendants, who were both the owners of six separate cemetery corporations, had failed to deliver burial markers upon need by the consumer. The Petition alleged the cemeteries were abandoned under state law, and permanent maintenance trust funds had not been maintained as required by law.

Following extensive discovery, a settlement agreement was reached as to a portion of the lawsuit in February, 1982. The permanent maintenance funds were restored in the form of trust accounts in a bank (for a total of \$206,000), and the owners agreed to sell their interests by January 1, 1983. Such a sale was made to an established Kansas City firm which already owned and operated other cemeteries, and which agreed, as part of the sale, to provide those markers which had been purchased previously on a pre-need basis.

Two other defendants were added to the lawsuit in 1982, Norman Anderson and Commemorative Services Corporation (CSC). These two defendants originally established these cemeteries. The allegations against these defendants were that they had not put money into trust for the pre-need sale of burial merchandise, back in the '50's and '60's as required by statute. Several other cemeteries were included, also owned by the defendants, Anderson and CSC, for a total of nine cemeteries.

The Court determined that the defendants were liable under the statutes the state alleged they had violated, including the Consumer Protection Act. Summary Judgment on the issue of liability was granted in June of 1987.

On the issue of damages, the Court determined in March, 1989 that the measure of damages would be the contract price paid by consumers in the instances where the funds were not put into trust, as well as civil penalties for violations, each such contract being a violation.

The case was tried to the Court on December 12, 1989. No judgment has been rendered at this time.

STATE, ex rel., v. LEONARD ANDERSON  
d/b/a COWBOY USED CARS

A car which had been completely wrecked and restored was purchased from this dealership. The consumer was not informed of the previous damage to the vehicle, and experienced numerous problems with the car. There was information available which indicated that the dealership knew or should have known of the previous damage. A settlement was reached prior to trial in which the dealership paid the consumer \$5,000 and she retained the vehicle for which she had originally paid \$8,450. No civil penalty or investigative fees were collected.

STATE, ex rel., v. CREDI-CARE OF SOUTH DAKOTA

This is a debt adjusting company which, for a fee, helps the consumer distribute his money among his creditors. Because debt adjusting is unlawful in Kansas, and because this service preys on individuals who are already strained in their budget, a consent judgment was entered into with this company, based on unconscionable acts and practices. The company agreed to pay \$2,000 in investigative fees and expenses and \$1,000 as a charitable donation.

STATE, ex rel., v. JACK ROACH HYUNDAI, INC.  
d/b/a OLATHE HYUNDAI; JOHN J. ROACH, JR. a/k/a JACK ROACH;  
PREMIER CADILLAC, INC.; UNIVERSAL WARRANTY CORP.  
and EXTENDED SERVICE PROGRAM, INC.

This car dealership went out of business in February of 1990. In the months preceding its demise, it purchased numerous trade-ins from individuals and subsequently sold those trade-ins, without paying off lienholders. Titles were not delivered, extended service contracts

were not paid to the supplier, and credit life contracts were not paid to the supplier.

General Motors Acceptance Corporation agreed to pay off liens on vehicles financed through them, which was the majority of the complaints. The extended service contract companies agreed to honor contracts for which they had not been paid, in exchange for dismissal from the lawsuit. Some titles were located, and the credit life company agreed to honor contracts for which they had not been paid. The company which bonded Olathe Hyundai paid numerous miscellaneous claims which were not otherwise covered.

Only a few complaints remain, for which the defendants are negotiating a settlement.

STATE, ex rel., v. PLAINS CEMETERY ASSOCIATION, INC.  
BOARD OF COUNTY COMMISSIONERS OF SEWARD COUNTY, KANSAS;  
and THE UNKNOWN OFFICERS, TRUSTEES, SUCCESSORS, CREDITORS,  
and ASSIGNS OF PLAINS CEMETERY ASSOCIATION, INC.

This case stems from another uncared for cemetery. Abandonment proceedings were filed and default judgment obtained, transferring this cemetery to Seward County. No further complaints have been received.

STATE, ex rel., v. WILLIAM BRENNAN d/b/a KEEN EAR

Defendant, William Brennan, is a California individual doing business in the state of Kansas. The defendant sells hearing aids through mail order. In his agreement with consumers, he told them they would be able to receive a refund should the hearing aid not work or they were not satisfied with the product. He has failed to return their money. In January of 1990, a subpoena was issued to Mr. Brennan to furnish evidence. To this date he has failed to comply with that subpoena, thus impeding the investigation of our office. In accordance with K.S.A. 50-631(e), a petition for preliminary injunction was filed with Shawnee County District Court on October 29, 1990. A hearing is scheduled.

STATE, ex rel., v. STEVE HAYNIE d/b/a SUNSPRINGS RESORT, INC.  
and AMERICAN INTERNATIONAL MARKETING, INC. and SUN SPRINGS  
RESORT, INC. d/b/a SUN SPRINGS RESORT, AMERICAN INTERNATIONAL  
MARKETING, INC. d/b/a SUNSPRINGS RESORT, INC.  
and SUN SPRINGS RESORT

The lawsuit was filed December 4, 1990, in Brown County, Kansas. This lawsuit alleges 45 violations of the Kansas Consumer Protection Act. The violations range from deceptive advertising to misleading consumers to believe the resort consisted of various amenities which they do not actually have. The case is pending.

STATE, ex rel., v. GRANIER ENTERPRISES, INC.  
d/b/a GOLD AND SILVER JEWELERS

On January 4, 1991, in Shawnee County, a consent judgment was filed with Granier Enterprises, Inc. Jewelry was advertised by the defendant and offered at a special advertised price more often than it was offered at the regular price, consequently making the special advertised price not a special price, but a regularly offered price. The defendant also disparaged competitors by stating the competitor's price per gram of gold was a certain price without actual knowledge of the price charged by the competitor and in fact stated a higher price than that actually charged by the competitor. This consent judgment required the defendant to stop all violative acts of the Kansas Consumer Protection Act and pay \$5,000 in investigative fees.

STATE, ex rel., v. UNI-TEL CORPORATION d/b/a  
GREATER KANSAS CITY BUSINESS TO BUSINESS TELEPHONE DIRECTORY,  
MARTIN J. SUNDQUIST d/b/a GREATER KANSAS CITY BUSINESS  
TO BUSINESS TELEPHONE DIRECTORY

This lawsuit was filed November 19, 1990, in Shawnee County, Kansas. The defendant sends solicitations to consumers for yellow page advertising which look to be an invoice from Southwestern Bell Yellow Pages. This lawsuit is now in the discovery process.

STATE, ex rel., v. CAROLYN JOHNSON  
d/b/a NATURE'S BEST HEALTH PRODUCTS

A lawsuit was filed on May 14, 1990 in Johnson County. The lawsuit alleged the defendant had committed deceptive and unconscionable acts and practices in connection with a postcard solicitation informing consumers they had won one of five prizes, when in fact the consumers were required to purchase a water filtration unit at grossly inflated prices to receive a prize.

The defendant fled the state and cannot be located. Service was made by publication and the court ordered default judgment on November 8, 1990 in the amount of \$1,879.55 in actual damages for consumers, \$10,000 civil penalties and \$2,000 investigative fees. The judgment is being pursued for collection.

STATE, ex rel., v. DEAN STRICKLER AND KEVIN GRAINER  
d/b/a ADVANCED RESOURCES

This lawsuit was filed on November 19, 1990 in Shawnee County. The defendants are California individuals who send postcards to Kansas consumers informing them they have won one of four prizes. Consumers who call the number listed on the postcard are informed they must purchase a water filtration unit to receive an award.

STATE, ex rel., v. HOME SWEET HOME INTERIORS, LTD.

This company represented it was a dealer of Universal furniture and took a deposit for such furniture but never delivered it. A lawsuit was filed on December 14, 1990 in Johnson County.

STATE, ex rel., v. THE 900 CONNECTION, INC.

Consumers receive computer generated phone calls and hear a recorded message stating they have won a free Hawaiian vacation. Consumers pay \$19.95 to call the defendant's 900 number and are informed the vacation includes free airfare and a required four night stay. When the consumer receives the vacation materials, he or she learns the

vacation requires a fourteen night stay and the price of the hotel is more than double what a consumer would pay through a local travel agency. A lawsuit was filed on November 30, 1990 seeking restitution to the consumers, \$36,000 in civil penalties and \$10,000 investigative fees.

STATE, ex rel., v. SWEEPSTAKES INTERNATIONAL, INC.

This lawsuit was filed in Shawnee County on December 26, 1990 seeking restitution to the consumers, \$28,000 in civil penalties and \$10,000 investigative fees. The defendant sends postcard solicitations to Kansas consumers informing them they are a winner of a prize in a magazine sweepstakes. Consumers who call the 900 number receive a vacation package that requires them to provide their own transportation and pay a registration deposit.

STATE, ex rel., v. BEL ENTERPRISES d/b/a THE PROFESSIONALS  
d/b/a AMERICAN CLEARING HOUSE DIGEST

This lawsuit was filed in Shawnee County on July 5, 1990 seeking restitution to the consumers, \$14,000 in civil penalties and \$10,000 investigative fees. The defendant mailed solicitations to consumers guaranteeing them an award. Consumers who call the number listed on the postcard are informed they must purchase a water filtration unit to claim their award.

Discovery is underway.

STATE, ex rel., v. ARCHER-BURKE COMPANY

The defendant mailed solicitations to consumers informing them they have won a prize worth up to \$5,000 and asking consumers to send in \$2 for "non-requisite" promotional costs. The consumers receive a movie reference book worth only a dollar or so as their award.

A consent judgment was entered into in which the defendant paid \$2,000 investigative fees and was ordered to refrain from the acts and practices alleged to be deceptive and unconscionable in the consent judgment.

STATE, ex rel., v. JERRY JOHNSON CONSTRUCTION

The defendant repairs leaky basements. He solicits consumers through a door-to-door sale, but does not give consumers the required three day cancellation notice.

Settlement negotiations were conducted and resulted in \$11,050 restitution to consumers, \$2,000 investigative fees, and \$1,000 civil penalties.

STATE, ex rel., v. ADOPT-A-PET, INC.  
d/b/a NATIONAL ANIMAL PROTECTION FUND

The defendant charity sent misleading solicitations to Kansas residents. The solicitations describe programs which are not carried out; are carried out in a manner not disclosed to the donors; or, are programs which are not related to the stated charitable purposes. Under a consent judgment the defendant paid \$1,000 investigative fees, \$2,000 civil penalty, \$1,000 donation to The Cat Association of Topeka and \$1,000 donation to Topeka Humane Society Educational Foundation, Inc.

STATE, ex rel., v. BRET WILSON BECHTOLD, JOHN F. SCHERMBECK  
d/b/a YELLOW PAGES OF MID-AMERICA

The defendants sent out solicitations for yellow pages advertising which resembled "renewal notices" although there had been no previous directory published by these defendants. Each defendant paid \$200 investigative fees and \$200 civil penalty under a consent judgment.

STATE, ex rel., v. THOUSAND ADVENTURES OF KANSAS, INC.

This campground resort sold memberships to Kansas residents. Various misrepresentations were made during the sales presentations including statements about the resale of memberships, the endorsement of the Attorney General's Office of the resort and failure to give three day cancellation notices. In a consent judgment the defendant agreed to resolve valid consumer complaints and paid \$5,000 investigative fees, \$7,500 civil penalty, \$2,000 charitable donation to the following: Battered Women's Task Force of Topeka, Rescue Mission of Topeka, \$1,000 to Salvation Army of Topeka, \$2,000 to Victory in the Valley of Wichita, \$1,500 to Rebecca Vincent Center of Kansas City. The defendant paid a number of consumers. At present, the defendant is under orders to appear at a show cause hearing for failure to conclude the remainder of the consumer complaints.

STATE, ex rel., v. ATHLETES FOR A STRONG AMERICA  
and BBACO, INC. d/b/a ADVANTAGE MARKETING  
d/b/a NATIONAL DRUG AWARENESS AND DETECTION AGENCY

The defendants sent postcards into the state of Kansas which appeared to be informing parents that their children were using illegal drugs and used a business name which appeared to be a government agency. During a phone presentation for marketing the "rapid eye check kit", misrepresentations were made about athletes who endorsed the product. The defendant, Athletes For A Strong America, entered into a consent judgment and agreed to pay \$2,000 in investigative fees. The defendant, BBACO, Inc., entered into a consent judgment and agreed to publish letters in several Kansas newspapers to inform consumers that they had misrepresented during the sales presentations and agreed to pay \$10,000 in investigative fees and expenses. Both defendants agreed not to send the postcards to Kansas residents again.

STATE, ex rel., v. LEGAL AFFAIRS COUNCIL

This charitable organization had solicited Kansas residents for donations without registration as required. Under a consent judgment they agreed to register and pay \$500 in investigative fees.

STATE, ex rel., v. WISCONSIN MICROWARE, INC.  
d/b/a AGPAC

The state of Kansas entered into a consent judgment with Wisconsin Microware, Inc. d/b/a Agpac on November 2, 1989. The company had failed to comply with its money back guarantee after consumers requested refunds. The company filed bankruptcy. The trustee notified this office that it is unlikely there will be payment to unsecured creditors.

STATE, ex rel., v. RICK, INC.  
d/b/a RICK'S ANTIQUE AUTO PARTS, INC.

This office entered into a consent judgment in December, 1987. The supplier failed to deliver parts by mail order as promised. The office received hundreds of complaints over the years. Many of them were resolved after a lengthy delay. The defendant has filed for Chapter 11 bankruptcy and is reorganizing the business. The office receives new complaints on an irregular basis currently.

STATE, ex rel., v. TRANS WORLD AIRLINES, INC.

Kansas and several other states brought consumer protection actions based on airlines' fare advertisements. The airlines were granted summary judgment in all cases based on pre-emption.

STATE, ex rel., v. THE WATSON AND HUGHEY COMPANY  
and JERRY C. WATSON AND BYRON CHATWORTH HUGHEY,  
INDIVIDUALLY AND AS CO-PARTNERS d/b/a THE WATSON & HUGHEY  
COMPANY; ROBERT R. STONE, JR.; CANCER FUND OF AMERICA,  
INC.; PACIFIC WEST CANCER FUND, INC.; WALKER CANCER  
RESEARCH INSTITUTE, INC.; CENTER FOR ALTERNATIVE CANCER  
RESEARCH, A PROGRAM OF PROJECT CURE, INC.; and AMERICAN  
HEART DISEASE PREVENTION FOUNDATION, INC.

These defendants entered consent judgments with the Attorney General's office. They agreed to guidelines for future sweepstakes solicitations. The defendants donated \$60,000 to charities designated by the Attorney General, paid investigative fees and refunded consumers' donations as requested.

STATE, ex rel., v. COUNTRY PARKS, INC.  
and MARKET AMERICA, INC., and TRAVELERS FINANCIAL  
GROUPS d/b/a VENTURE OUT

A default judgment was granted against Travelers. The principal stockholder in Travelers filed bankruptcy. There are no assets. Country Parks, Inc. was dismissed when the resorts were brought up to the standard promised to the members. Market America, Inc. paid \$442 in consumer damages.

STATE, ex rel., v. RECREATIONAL ADVENTURES OF KANSAS, LTD.

The defendant entered a consent judgment with the Office of Attorney General on March 23, 1990. This resort sent solicitations which appeared to award prizes or gifts which were actually sales of merchandise, misrepresentations were made during the sales presentation about membership resale and three day cancellation periods. The defendant agreed to provide prizes to consumers, some contracts were cancelled and some refunds were provided. The defendant also paid \$3,000 investigative fees, \$4,000 civil penalty and \$3,000 charitable donation. There are a few outstanding consumer complaints which are being handled in a routine manner with the defendant.

STATE, ex rel., v. THE PROCESSING CENTER, INC.  
and VAUGHN MANAGEMENT, INC. d/b/a PURADYNE COMPANY

Default judgment was granted against the defendants. The company is no longer in business. All assets were frozen by the postal inspector. Consumers' information was forwarded to the postal inspector for possible assistance.

STATE, ex rel., v. CHESTER JONES

Consent judgment was entered on January 16, 1990. The defendant agreed to pay \$34,696.12 in consumer damages. Collection attempts have been made. However, no assets have been found.

STATE, ex rel., v. CHUCK RULE, MARK RULE and  
PATRICIA RULE d/b/a SAFEWAY BUILDERS

The defendants entered into door to door sales contracts without informing consumers of their rights to cancel and did not complete work on remodeling homes as agreed. Service was obtained on all defendants. Default judgment on liability only was entered on Chuck Rule and Patricia Rule. Mark Rule filed an answer. Discovery is ongoing.

STATE, ex rel., v. BYRON WRIGHT d/b/a AGRICULTURAL STEEL  
BUILDINGS OF AMERICA and EAGLE STEEL STRUCTURES

A journal entry of consent judgment was entered into in 1989. The defendant agreed to pay \$93,350 restitution and \$2,000 investigative fees. The defendant's present location is unknown.

STATE, ex rel., v. CONTE AND COMPANY, INC.

The Attorney General was granted summary judgment in 1989. The defendant company is no longer in business and no assets have been found.

STATE, ex rel., v. GOLDEN SWEEPSTAKES, DENNIS ASBURY  
and WAYNE LEVESQUE

A judgment was granted against the defendants. The two individuals have been paroled from prison. They were serving a sentence in a related criminal case. During their time in prison, both made some payments toward restitution. That money has been disbursed to consumers. The Attorney General has no further jurisdiction over Wayne Levesque. Dennis Asbury has agreed to continue to make regular monthly payments.

STATE, ex rel., v. GLEN BISHOP

Mr. Bishop is making regular monthly payments on a judgment. Money is being disbursed to consumers.

STATE, ex rel., v. SHERRI BRIDALS

A consent judgment was entered into. Subsequent to the consent judgment, the defendant filed bankruptcy. The trustee of the bankruptcy believes payments may be made to consumers in the near future.

STATE, ex rel., v. PLATT COLLEGE

After a consent judgment was entered into, the defendant filed bankruptcy. There is little likelihood of payout to consumers.

STATE, ex rel., v. NUMART

Judgment was granted. The defendant has filed bankruptcy. There is little likelihood of payout.

STATE, ex rel., v. HOWARD NICHOLS  
d/b/a HOWARD NICHOLS AND SONS

A consent judgment was entered into. The defendant's current whereabouts are unknown.

STATE, ex rel., v. ROBERT HOGREFE, EAGLE FUNDING GROUP,  
CREDIT MENDERS, INC.

Consent judgment was entered into. The defendant is making some regular monthly payments.

STATE, ex rel. v. FORD MOTOR COMPANY

This lawsuit involves the Kansas Lemon Law and was filed July 25, 1989, in Shawnee County based upon the July 1, 1989, amendment to the law giving the Attorney General's Office jurisdiction to bring such actions. One consumer is involved. Some of the defects to the consumer's car were repaired and the remaining defects did not substantially impair the use and value of the vehicle so the lawsuit was dismissed.

STATE, ex rel. v. FORD MOTOR COMPANY

This lawsuit involves the Kansas Lemon Law and was filed July 25, 1989, in Shawnee County, Kansas, based upon the July 1, 1989, amendment to the law giving the Attorney General's Office jurisdiction to bring such actions. One consumer is involved. The case was settled by Ford Motor Company purchasing the vehicle for the purchase price less mileage.

Default judgments were granted in the following cases. We are attempting to locate the defendants for collection:

STATE, ex rel., v. PHIL GUMMOW d/b/a MIDWEST MOBILE HOMES

STATE, ex rel., v. CURRENT-FLO SIGN COMPANY, INC. & GARY SHIVELY

STATE, ex rel., v. KEVIN C. GILL d/b/a PHOTOTRON EXPRESS

STATE, ex rel., v. JAMES JOSEPH TROMETER and BOULEVARD AUTO CREDIT

STATE, ex rel., v. ATLANTIC SOUND

STATE, ex rel., v. KANSAS SOLAR & ELECTRIC

STATE, ex rel., v. KEN PRICE d/b/a MOPAR PARTS

STATE, ex rel., v. V.I.P. BUILDERS

OFFICE OF THE ATTORNEY GENERAL

STATE OF KANSAS

ROBERT T. STEPHAN  
ATTORNEY GENERAL

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Teresa A. Nelson	Special Agent
Deanne C. Peel	Special Agent
Bruce Stout	Special Agent
Denise King	Receptionist
Terri Kirby	Secretary
Karen Mellenbruch	Secretary
Jo Strimple	Secretary
* Dee Byard	Receptionist

\* Served a portion of 1990. No longer with Consumer Protection.

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