Consumer Protection
Annual Report
2009

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Dear Colleagues,

Ohio’s Consumer Sales Practices Act, enacted nearly 40 years ago, protects residents from unfair and deceptive business practices.

Former Attorney General William J. Brown, who championed the legislation in 1972, observed: “I doubt if there is a citizen today who hasn’t helped line the pockets of some dishonest person who has taken advantage of the natural, trusting nature of the American consumer.”

Today, the Attorney General’s Office enforces 26 consumer laws. Much progress has been made over the decades since Attorney General Brown made consumer protection a priority — but the cons and scams have evolved even faster. That is why, in 2009, my Consumer Protection Section has expanded the ways it can maintain vigilance over the marketplace by opening up the informal complaint process to businesses and nonprofits that, just like individual consumers, are harmed by businesses that break the rules.

Ohio was the first state in the nation to sue mortgage servicers — companies that collect on mortgages — for unfair and deceptive practices. Since January, we have issued approximately 30 cease and desist notices and filed seven lawsuits against foreclosure rescue operations targeting Ohioans.

We also heard from more than 28,000 Ohioans who complained of unscrupulous practices in the marketplace. These complaints gave us the ammunition we needed to file many of the lawsuits detailed in this annual report and also helped us generate $4.1 million in consumer restitution, civil penalties, costs and other relief.

In these troubling economic times, this office’s mandate to protect consumers is more important than ever. Brown and other leaders from Ohio’s past have given us the tools to fight the scammers and cheats who try to make money by misleading Ohioans. We will wield those tools aggressively, and we urge Ohioans to let us know about scams by visiting www.SpeakOutOhio.gov or calling (800) 282-0515.

Sincerely,

Richard Cordray
Ohio Attorney General
REPORT TO THE GOVERNOR AND GENERAL ASSEMBLY ON THE OPERATIONS OF THE ATTORNEY GENERAL UNDER CHAPTER 1345 OF THE OHIO REVISED CODE

2009 ANNUAL REPORT

A. SCOPE

Chapter 1345 of the Ohio Revised Code, the Consumer Sales Practices Act (CSPA), gives the state Attorney General the duty and enforcement authority to prohibit a supplier from committing an unfair, deceptive or unconscionable act or practice in connection with a consumer transaction. It is the primary consumer protection statute in Ohio and one of the most comprehensive consumer protection statutes in the nation. Since its adoption in 1972, the CSPA has proven to be a fair and effective regulatory scheme, providing protection for consumers and marketplace flexibility for businesses.

Consumer protection in Ohio has expanded throughout the years, giving the Attorney General’s Consumer Protection Section the responsibility of enforcing 26 additional consumer protection laws through civil legal proceedings. The section has concurrent jurisdiction to enforce numerous federal consumer protection statutes. Although no consumer protection statute gives the Attorney General original criminal prosecutorial authority, if a local prosecutor declines a referral, the Attorney General is authorized to prosecute violations of the Homebuyers’ Protection Act, Telephone Solicitations Sales Act and Credit Services Organization.

To further protect Ohioans from predatory and illegal business practices, the section educates consumers and businesses about Ohio consumer law and offers a complaint resolution process to resolve disputes between consumers and businesses. In 2009, the Consumer Protection Education and Outreach Unit attended or coordinated nearly 250 events that attracted thousands of Ohioans. The Consumer Assistance Unit received more than 28,000 consumer complaints and inquiries, assisting thousands of consumers statewide.

The CSPA requires the Attorney General to report annually to the Governor and the General Assembly about operations related to Chapter 1345 of the Ohio Revised Code and violations of this chapter. Here is a summary of the Consumer Protection Section’s 2009 activities as of mid-December, when this report went to print in order to meet the Jan. 1 submission deadline.
B. ENFORCEMENT

The Attorney General is empowered to investigate CSPA violations and enforce the law. To accomplish this, the Consumer Protection Section has several tools at its disposal. The Attorney General may issue a cease-and-desist notice to address a supplier’s behavior. The Attorney General has authority to enter into an assurance of voluntary compliance, a formal out-of-court agreement between the Attorney General and the supplier in which the supplier agrees to cease violating the law, to reform business practices, to make appropriate restitution and, when appropriate, to pay civil penalties. Finally, the Attorney General can pursue litigation to address possible violations. Some cases are handled as multi-state actions in cooperation with other state attorney general offices.

The Legal and Investigation Units work together to ensure compliance with Ohio consumer laws. In 2009, the Consumer Protection Section opened 243 investigations, which thus far have resulted in the initiation of 36 lawsuits for various unfair, deceptive and unconscionable business practices. In the past year, the section also obtained 34 judgments and assurances of voluntary compliance totaling more than $4.1 million in consumer restitution, civil penalties, costs and other relief.

Here are summaries of the lawsuits and settlements that occurred in 2009:

**LAWSUITS FILED IN 2009**

**ABC General Contractors/Jeremy Adams**

*Union County Court of Common Pleas, Case No. 2009 CV 231*

On May 6, 2009, the Attorney General filed a lawsuit against ABC General Contractors and its owner, Jeremy Adams, for routinely failing to deliver home improvement services after accepting deposits for those services. The complaint alleges violations of the Consumer Sales Practices Act and Home Solicitation Sales Act, including failure to deliver, failure to register the business, failure to comply with the Deposit Rule, failure to comply with the Repairs or Services Rule and failure to provide a proper notice of cancellation form. The complaint seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

**Advanced Exteriors Plus, d/b/a Advanced Exteriors/Luke R. Dreffer**

*Franklin County Court of Common Pleas, Case No. 09 CVH 9 13313*

The Attorney General filed a lawsuit on Sept. 2, 2009, against this home improvement business and its owner, Luke Dreffer, for several violations of consumer law. In 2009, the Attorney General launched an investigation after receiving 10 consumer complaints alleging that Advanced Exteriors accepted money for home improvement work but failed to begin the work and failed to provide refunds. The lawsuit alleges violations of the Consumer Sales Practices Act and Home Solicitation Sales Act, including failure to deliver, failure to
substantiate claims in advertising and failure to provide notices of cancellation. Requested relief includes a declaratory judgment and permanent injunction, consumer damages and civil penalties. The case is pending.

**Affordable Carpet Service Inc., d/b/a Affordable Carpets, Best Floors and Buddy’s Carpet/Andre Corey**  
*Cuyahoga County Court of Common Pleas, Case No. CV 09 702169*  
The Attorney General filed a lawsuit against this home flooring goods business on Aug. 21, 2009. The lawsuit also named Andre Corey, the company’s main principal, as an individual defendant. This company accepted substantial down payments from consumers, but failed to deliver the product and failed to issue refunds. In other instances, the business performed work in a shoddy manner. The complaint was filed pursuant to the Consumer Sales Practices Act and seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

**Affordable Luxury Auto Sales of Columbus (ALAS)/Sharp Auto Sales 1/Sharp Auto Sales LLC/Dmitry Peresetsky/Nathan Brown**  
*Franklin County Court of Common Pleas, Case No. 09 CVH 09 13711*  
On Sept. 11, 2009, the Attorney General filed a lawsuit against this used car dealer and its owners. Consumer complaints alleged that the defendants sold vehicles that were not in proper working order. Consumers also reported that the defendants sold used vehicles equipped with vehicle-disabling devices (used to turn off engines when car payments are late) without disclosing this fact to consumers. In other instances, consumers did not receive titles to used motor vehicles. The complaint alleges violations of the Consumer Sales Practices Act and Title Defect Rescission Act (TDR). It seeks declaratory and injunctive relief, consumer restitution, reimbursement of the TDR fund and civil penalties. The case is pending.

**Alliance Coin Inc./Barry J. Rothman**  
*Hancock County Court of Common Pleas, Case No. 2009 CV 573*  
On June 30, 2009, the Attorney General filed a lawsuit against New York coin dealer Alliance Coin Inc. and its president, Barry J. Rothman, for misrepresenting products and using high-pressure sales tactics. The lawsuit was filed as part of the Federal Trade Commission’s “Operation Short Change,” targeting scammers who take advantage of the economic downturn to exploit consumers. Alliance Coin allegedly used high-pressure sales tactics to sell coins over the phone, often misrepresenting the value and grade of the coins for sale. The complaint alleges violations of the Consumer Sales Practices Act and Telephone Solicitation Sales Act. It seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

**American Home Mortgage Servicing Inc.**  
*Cuyahoga County Court of Common Pleas, Case No. CV 09 708888*
On Nov. 5, 2009, the Attorney General filed a lawsuit against American Home Mortgage Servicing Inc., a Texas-based company servicing more than 12,000 subprime mortgage loans in Ohio. The lawsuit alleges numerous violations of the Consumer Sales Practices Act, including but not limited to: incompetent and inadequate customer service, failure to respond to requests for assistance, failure to offer timely or affordable loss-mitigation options to borrowers, and unfair and deceptive loan modification terms. Specifically, the lawsuit alleges that the company required loan modification agreements that forced consumers to pay excessive fees and to waive their rights in order to get help. It also alleges that the terms of loan modifications were unconscionably one-sided in favor of American Home Mortgage Servicing. The lawsuit seeks declaratory and injunctive relief, consumer restitution, civil penalties and damages. It also requests that the court order American Home Mortgage Servicing to implement processes designed to provide efficient, competent and adequate customer service to all of its Ohio mortgage customers. The case is pending.

Aura Adams, individually and d/b/a All Homes R Us
Trumbull County Court of Common Pleas, Case No. 2009 CV 1515
On June 5, 2009, the Attorney General filed a lawsuit against All Homes R Us and its owner, Aura Adams, who has a lengthy criminal history. This Northeast Ohio company engaged in the advertisement and sale of general construction work, including building, remodeling and home repair. Allegations in the complaint include failure to deliver and providing shoddy home improvement services in violation of Ohio’s Consumer Sales Practices Act. The lawsuit seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

BlueHippo Funding LLC/BlueHippo Capital LLC
Franklin County Court of Common Pleas, Case No. 09 CVH 11 17139
BlueHippo Funding LLC and BlueHippo Capital LLC (collectively BlueHippo) advertise computers through print, radio and TV ads, offering consumers guaranteed approval for financing without obtaining a credit check. The advertisements promise other “free” electronic products, such as printers and televisions. After receiving a sharp increase in consumer complaints alleging BlueHippo failed to deliver computers, free products and/or refunds, the Attorney General filed a Nov. 17, 2009, lawsuit charging the joint companies with violations of the Consumer Sales Practices Act and Retail Installment Sales Act. The court granted the Attorney General’s motion for a temporary restraining order that same day. Specific allegations in the lawsuit include: using substantially one-sided contracts; misrepresenting the quality of computers, the terms of contracts and the delivery dates for products; failing to disclose material terms; failing to deliver; and misrepresenting the rights and remedies available to buyers in layaway arrangements. The lawsuit seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.
Bob Brown, d/b/a Brown and Brown Roofing and Bob Brown Roofing  
*Montgomery County Court of Common Pleas, Case No. 09 03685*

On May 5, 2009, the Attorney General filed a lawsuit against Brown and Brown Roofing, an unincorporated home-improvement business owned and operated by Bob Brown. Mr. Brown offered to provide roof repair and other home improvement services through newspaper and yellow page advertisements. The Attorney General’s complaint alleges violations of the Ohio Consumer Sales Practices Act, including shoddy workmanship, estimate choice violations, failure to register the business and false warranty claims. It seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

Brickyard Motorsports LLC  
*Lorain County Court of Common Pleas, Case No. 09 CV 163938*

Brickyard Motorsports advertised new and used Suzuki and Kawasaki all-terrain vehicles and motorcycles in Ohio through auto magazines. Consumer complaints alleged that Brickyard added fees for freight, prep and assembly after quoting only the unit price and neglecting to include the extra fees in advertisements. Complaints also alleged that Brickyard made material misrepresentations on the condition of vehicles and advertised vehicles for a specific price, then refused to sell for that price. On Sept. 14, 2009, the Attorney General filed a lawsuit for unfair, deceptive and unconscionable acts and practices in violation of the Consumer Sales Practices Act. The complaint seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

Bruce Garvin, individually and d/b/a Scooter Hitch Corp. and Scooter Haul Corp.  
*Hamilton County Court of Common Pleas, Case No. A0905770*

On June 11, 2009, the Attorney General filed a lawsuit against Bruce Garvin, the owner of Scooter Hitch, an unincorporated business that manufactures and sells mini-trailers designed to haul mobility devices such as scooters and motorized wheelchairs. Internet advertisements for the mini-trailers did not properly disclose the exclusions and limitations of the company’s refund policy. The complaint alleges violations of the Consumer Sales Practices Act, including failure to clearly and conspicuously disclose material terms, Deposit Rule violations and failure to honor the terms of a previous Assurance of Voluntary Compliance. It seeks declaratory and injunctive relief, consumer restitution and civil penalties. The lawsuit is pending.

Carrington Mortgage Services LLC  
*Franklin County Court of Common Pleas, Case No. 09 CVH 7 11433*

On July 31, 2009, the Attorney General and the Ohio Department of Commerce filed a joint lawsuit against Carrington Mortgage Services for breaching an earlier agreement with the state and for providing incompetent, inadequate and inefficient customer service in connection with its servicing of Ohio mortgage loans. In January 2008, the two state agencies entered into an agreement with Carrington to resolve a dispute arising from the state’s New Century litigation.
The agreement required Carrington to engage in good-faith loan-workout negotiations with eligible New Century borrowers in order to avoid foreclosure. The agreement entitled borrowers to reasonable loan workouts, forbearance restructuring agreements or other resolutions acceptable to both the borrower and Carrington. Instead, the lawsuit alleges that Carrington breached the agreement by failing to provide borrowers with workout terms reasonably designed to avoid foreclosure, failing to provide the state with a written copy of the terms and failing to provide proposed terms to borrowers within the 21-day timeframe spelled out in the agreement. The complaint seeks consumer restitution, civil penalties, damages and an order for Carrington to implement processes to provide adequate customer service to its Ohio mortgage customers. The case is pending.

CertifiChecks Inc
*Montgomery County Court of Common Pleas, Case No. 09 01887*
Dayton-based CertifiChecks sold gift certificates to consumers in Ohio and throughout the nation. When the company went out of business in February 2009, consumers were unable to use their CertifiChecks' gift certificates. On March 9, 2009, the Attorney General filed a lawsuit against the company for failing to honor its gift certificates and for misleading consumers. In April 2009, CertifiChecks filed for bankruptcy protection. The case is pending.

Dayton Safety Systems Inc., d/b/a Assured Driving School/William E. Saunders Jr./Audrey Saunders
*Montgomery County Court of Common Pleas, Case No. 09-2984*
Dayton Safety Systems Inc., which did business as Assured Driving School, was a Dayton-area driving school that went out of business and failed to complete consumers' driver training instruction. It also failed to issue certificates of completion and failed to refund consumers’ money. The Attorney General filed a lawsuit in April 2009 alleging violations of the Consumer Sales Practices Act and naming the company’s principals, William and Audrey Saunders, as individual defendants. The complaint alleged that the defendants accepted payment for driver training services, but failed to deliver those services. It also alleged that the defendants accepted money from consumers when they knew consumers would be unable to receive a substantial benefit. The case concluded with an April 14, 2009, consent judgment. It included declaratory and injunctive relief, $34,385 in consumer restitution and a $50,000 civil penalty suspended on the condition of strict compliance with the terms of the consent judgment.

Debt Advocacy Center
*Cuyahoga County Court of Common Pleas, Case No. CV 09 710802*
Debt Advocacy Center was an Ohio business that engaged in foreclosure-rescue transactions. It promised to help consumers avoid home foreclosures, touting its on-staff attorneys and money-back guarantee, but it failed to provide promised services or make refunds to consumers. The Attorney General filed a lawsuit on Nov. 23, 2009 charging Debt Advocacy Center with violations of the Consumer
Sales Practices Act and the Debt Adjuster Act. Specific allegations included failure to deliver, making false and misleading statements, entering into one-sided transactions, improperly recommending that consumers default on their mortgages and charging excess fees. The complaint seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Decorate with Style Inc., d/b/a USA Wallpaper and By Design
Erie County Court of Common Pleas, Case No. 2009 CV 0885
Decorate with Style Inc. sells wallpaper and other home decorations. It also does business as USA Wallpaper and By Design. The company has a large Internet presence, using the Web site www.usawallpaper.com. After receiving more than 200 consumer complaints alleging the company failed to deliver or failed to return deposits, the Attorney General filed an Oct. 19, 2009, lawsuit charging the company with failure to deliver, a violation of the Consumer Sales Practices Act. The complaint seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

DISH Network LLC
United States District Court, Central District of Illinois, Springfield Division
On March 25, 2009, the Attorney General filed a lawsuit in federal court alleging that satellite giant DISH Network, directly and indirectly through third parties, made unauthorized telemarketing calls to consumers. Joining the Ohio Attorney General in this action were the attorneys general of California, Illinois and North Carolina and the Federal Trade Commission. An investigation revealed that the company, directly or indirectly through third-party telemarketers, made calls to consumers on the National Do Not Call Registry and initiated unauthorized calls using artificial or prerecorded voices. The lawsuit is pending.

Fiserv Solutions Inc., d/b/a Fiserv Lending Solutions
Franklin County Court of Common Pleas, Case No. 09 CVH 10 15013
On Oct. 7, 2009, the Attorney General filed a lawsuit against Fiserv Solutions for alleged undue influence on appraisers in violation of the Consumer Sales Practices Act. An Agreed Final Entry and Order was simultaneously submitted to the court and entered on Oct. 8. It included injunctive relief, a $100,000 payment to the Consumer Protection Enforcement Fund with $20,000 suspended for strict compliance with the order, and $15,000 in attorney fees and investigative costs.

Foreclosure Assistance USA Inc./American Foreclosure Professionals Inc.
Hamilton County Court of Common Pleas, Case No. A0900671
Cincinnati-based Foreclosure Assistance USA and American Foreclosure Professionals operated a foreclosure-rescue scam in which they sent direct-mail solicitations that specifically referred to consumers' foreclosure lawsuits by their unique case numbers. Both companies promised immediate assistance in saving the homes from foreclosure but failed to do so. The Attorney General opened an investigation into the companies after receiving complaints from consumers who alleged damages from $700 to $1,200. The investigation revealed that
Foreclosure Assistance USA and American Foreclosure Professionals share the same president and offer similar foreclosure assistance services to consumers facing foreclosure. On Jan. 22, 2009, the Attorney General filed a lawsuit charging the companies with violating the Consumer Sales Practices Act, Credit Services Organization Act and Debt Adjusters Act. The case is pending.

**Foreclosure Home Assistance LLC, d/b/a Global Home Rescuers/Artice Gordon/Wanda Sanchez-Gordon**
*Cuyahoga County Court of Common Pleas, Case No. CV 09 696730*
Cleveland-based Foreclosure Home Assistance LLC (which also did business as Global Home Rescuers, Homesavers USA, AW Gordon and Associates, and Gordon and Associates) charged consumers $1,500 for loan modifications, forbearance plans and other foreclosure-prevention services. The business failed to deliver any of the promised services, and on June 25, 2009, the Attorney General filed a lawsuit and motion for temporary restraining order against the company and its owners. The court granted the temporary restraining order on the same day. The Attorney General’s specific allegations included failure to deliver, misrepresentation and charging excessive fees in violation of the Consumer Sales Practices Act and Debt Adjusters Act. The complaint seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

**International Diamond & Gold Co., aka International Diamond and Gold Company/Michael J. Barren**
*Delaware County Court of Common Pleas, Case No. 09 CVH 04 0482*
The Attorney General issued a cease-and-desist notice to International Diamond & Gold (IDG) on Sept. 10, 2009, for violation of the Distress Sale Rule. The receiver appointed to liquidate IDG had been running a going-out-of-business sale in excess of the maximum time permitted by the Consumer Sales Practices Act. The receiver, Michael J. Barren, filed a contempt motion against the Attorney General on Sept. 30, 2009, and also added the Attorney General as a party to the IDG litigation in an attempt to continue the going-out-of-business sale. The Attorney General responded with a cross claim against IDG and a third-party complaint against the receiver on Oct. 28, 2009, alleging that the operation of the going-out-of-business sale violated the Consumer Sales Practices Act and the Distress Sale Rule. The case is pending.

**JR & Sons Quality Home Improvements LLC/Joey Rovito**
*Franklin County Court of Common Pleas, Case No. 09 CVH 11 17122*
JR & Sons Quality Home Improvements is a Pataskala-based home improvement supplier owned by Joey Rovito. The company provided home improvement services to consumers in Franklin and Licking counties. After receiving consumer complaints alleging failure to deliver, shoddy work, failure to honor warranties and failure to honor notices of cancellation, the Attorney General opened an investigation into the company, which has since ceased operations. On Nov. 16, 2009, the Attorney General filed a lawsuit for violations
of the Consumer Sales Practices Act and the Home Solicitation Sales Act. The lawsuit also named Joey Rovito as a defendant. The lawsuit seeks injunctive relief, consumer damages and civil penalties. The case is pending.

Kirkland Young LLC  
*Franklin County Court of Common Pleas, Case No. 09 CVH 11 17495*  
Kirkland Young LLC is a foreclosure rescue company located in Miami, Fla. The company solicited consumers through telephone calls. It charged consumers an initial fee of at least $499 and also charged closing costs if it obtained a loan modification for the consumer. On Nov. 23, 2009, the Attorney General filed a lawsuit alleging violations of the Consumer Sales Practices Act, the Telephone Solicitation Sales Act and the Debt Adjuster Act. Specific allegations included failure to register as a telephone solicitor, making false or misleading statements in telephone solicitations, engaging in unconscionable acts and practices in connection with consumer transactions, and charging excess fees. The complaint seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Michael Brotherton, d/b/a Financial Emergency Inc. and Debt Mediation and Financial Counseling  
*Greene County Court of Common Pleas, Case No. 2009 CV 0709*  
Michael Brotherton operated a foreclosure-rescue operation under the names Financial Emergency Inc. and Debt Mediation and Financial Counseling. Neither business name is registered with the Ohio Secretary of State. Mr. Brotherton advertised foreclosure assistance and debt mediation services through direct-mail solicitations and via the Internet. On June 25, 2009, the Attorney General filed a lawsuit for violations of the Consumer Sales Practices Act, its substantive rules and the Debt Adjuster Act. Specific allegations included charging in excess of permitted amounts, failing to file an audit with the Attorney General, failing to deliver, and making false and misleading representations. The complaint seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

National Enterprise Systems Inc.  
*Cuyahoga County Court of Common Pleas, Case No. CV 09 699296*  
On July 21, 2009, the Attorney General filed a lawsuit against National Enterprise Systems, a Northeast Ohio debt collection company, for unfair and deceptive collection practices. After receiving an influx of consumer complaints, the office opened an investigation in spring 2008. The investigation revealed a pattern of illegal practices, such as calling and harassing consumers' coworkers and family members, calling before 8 a.m. and after 9 p.m., using abusive language, attempting to collect debts consumers did not owe, failing to verify debts and making unauthorized withdrawals from consumers' bank accounts. The complaint alleges violations of the Consumer Sales Practices Act and the Fair Debt Collection Practices Act. The lawsuit seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.
Nation’s Construction LLC, d/b/a Columbus Fire Repair/William W. Bridge III  
Franklin County Court of Common Pleas, Case No. 09 CVH 11 17743  
Nation’s Construction is a Columbus fire repair contractor that does business as Columbus Fire Repair. The Attorney General opened an investigation in response to consumer complaints alleging that the business’s representatives arrived at consumers’ homes shortly after they received extensive fire damage, often within hours of the fire. Consumers entered into contracts for the repair of their damaged homes, but the company did minimal work and kept the consumers’ insurance money, leaving their homes in disarray. On Nov. 30, 2009, the Attorney General filed a lawsuit for violations of the Consumer Sales Practices Act, including failure to deliver, shoddy workmanship and misleading statements and representations. The lawsuit also named William Bridge III, the owner of the business, as a defendant. The lawsuit seeks injunctive relief, consumer reimbursement and civil penalties. The case is pending.

Pfizer Inc.  
Franklin County Court of Common Pleas, Case No. 09 CVH 09 13913  
The Attorney General took part in a multi-state investigation into the improper marketing of Pfizer’s antipsychotic drug Geodon, the brand name for the prescription drug Ziprasidone. The drug had been approved by the U.S. Food and Drug Administration (FDA) for treatment of schizophrenia in adults and for manic or mixed episodes of bipolar disorder in adults. However, Pfizer promoted Geodon for a number of off-label uses, including pediatric use and use at higher dosages than approved by the FDA. The investigation resulted in a lawsuit filed Sept. 2, 2009. An agreed entry resolving the matter was filed on Sept. 23, 2009. The agreement prohibited Pfizer from promoting Geodon for off-label uses; from using deceptive, false and misleading promotions of Geodon; and from promoting Geodon by highlighting selected symptoms instead of diagnoses without reference to the FDA-approved indications. Ohio joined 41 other states in the $33 million settlement. Ohio’s share of the settlement was $1,120,921.

Premier Design Consultants Inc./Jeffrey Shalayda  
Franklin County Court of Common Pleas, Case No. 09 CVH 6 9170  
Premier Design Consultants Inc. is a Columbus corporation that provides home-improvement services to consumers. Jeffrey Shalayda is the owner of the company. On June 18, 2009, the Attorney General filed a lawsuit against the company for violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. Specific violations include failure to deliver, noncompliance with the Deposit Rule, deceptive advertising, shoddy work, breach of warranty and failure to provide notices of cancellation. Requested relief includes a declaratory judgment and permanent injunction, consumer damages and civil penalties. The case is pending.

Prime Option Financial Services LLC/Mark Belter  
Cuyahoga County Court of Common Pleas, Case No. CV 09 683081
Located in Westlake, Ohio, Prime Option Financial Services was a mortgage broker company that had ceased doing business and had surrendered its mortgage broker licenses. Mark Belter was the main principal of the business. An Attorney General investigation of the company revealed that many required documents and disclosures were missing or incomplete in Prime Option’s transactions. The missing documents and disclosures included loan-to-value disclosures; disclosures of credit fees, tax fees, escrow fees and servicing fees associated with the loan; Mortgage Loan Origination Disclosure Statements; closing disclosures; Good Faith Estimates; appraisal request forms and consumer receipts of required informational documents. On Jan. 27, 2009, the Attorney General filed a lawsuit alleging violations of the Real Estate Settlement Procedures Act and the Consumer Sales Practices Act. The case is pending.

Rick Lopez, individually and d/b/a Treesmith Co. LLC/Treesmith Co. LLC
Cuyahoga County Court of Common Pleas, CV 09 704862
On Sept. 23, 2009, the Attorney General filed a lawsuit against Treesmith Co., a Northeast Ohio tree and landscaping business. The complaint names owner Rick Lopez as an individual defendant and alleges violations of the Consumer Sales Practices Act, including failure to deliver and deposit violations. It seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

Shawn Gauley and Philip Stroud, d/b/a Nationwide Construction
Summit County Court of Common Pleas, Case No. 2009 06 4597
Shawn Gauley and Philip Stroud operated an Akron home improvement company called Nationwide Construction and solicited consumers after a hailstorm caused widespread destruction and prompted widespread media attention. They took money from consumers, performed poor workmanship, failed to complete contracts and then quickly disappeared. The Attorney General filed a lawsuit on June 17, 2009, for violations of the Consumer Sales Practices Act and Home Solicitation Sales Act. Alleged violations include failure to deliver, noncompliance with the Deposit Rule, substandard work and failure to provide a proper notice of cancellation form. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

Susan Hixson, Deck Creations of Ohio
Trumbull County Court of Common Pleas, Case No. 2009 CV 852
Deck Creations is a home improvement company based in Mineral Ridge, Ohio. It offers various outdoor home improvement services, such as deck and gazebo construction, to consumers in Ohio and other states. After receiving complaints from consumers who said they paid Deck Creations $766 to $17,000 but never received promised services, the Attorney General filed a lawsuit on March 30, 2009. The lawsuit alleged that Deck Creations and owner Susan Hixon failed to deliver promised services and did shoddy work in violation of the Consumer Sales Practices Act. The lawsuit seeks injunctive relief, consumer reimbursement and civil penalties. The case is pending.
Timothy Sands, individually and d/b/a Akron Asphalt

*Summit County Court of Common Pleas, Case No. 2009 08 6147*

On Aug. 19, 2009, the Attorney General filed a lawsuit against Akron Asphalt, a home improvement company accused of failing to deliver, providing shoddy home improvement services and failing to register with the Ohio Secretary of State. Timothy Sands owned and operated this unincorporated business, which contracted for the installation of cement and asphalt products. Consumer complaints alleged that Akron Asphalt did little or no work. The Attorney General’s complaint alleges violations of the Consumer Sales Practices Act. It seeks declaratory and injunctive relief, consumer restitution and civil penalties. The case is pending.

Twenty First Century Legal Services

*Franklin County Court of Common Pleas, Case No. 09 CVH 06 9535*

Twenty First Century Legal Services failed to deliver on its promises to help homeowners restructure their home loans, a service for which they charged $1,500 to $2,600. The company instructed consumers to stop making payments on their home loans and to stop contacting their lenders. It also instructed consumers to make out several post-dated checks, each approximately equal to their monthly mortgage payment. Consumers believed Twenty First Century would take care of the rest. On June 25, 2009, the Attorney General filed a lawsuit and a motion for temporary restraining order. The court granted the temporary restraining order on the same day. Specific allegations in the lawsuit included failure to deliver, unconscionable acts and practices, failure to provide cancellation notices and charging excessive fees in violation of the Consumer Sales Practices Act, Home Solicitation Sales Act and Debt Adjusters Act. The complaint seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

U.S. Homeowners Assistance

*Hamilton County Court of Common Pleas, Case No. A0906737*

This California company offers loan modification and loss mitigation services to consumers in Ohio and across the country. It solicits consumers by calling their homes and advertising on television and through the Internet. U.S. Homeowners Assistance is not licensed with the Ohio or California Secretaries of State, nor is it registered as a telephone solicitor with the Ohio Attorney General or as a mortgage broker with the Ohio Department of Commerce, Division of Financial Institutions. On July 14, 2009, the Ohio Attorney General filed a lawsuit against the business for violations of the Consumer Sales Practices Act, Telephone Solicitation Sales Act and Debt Adjusters Act. A temporary restraining order was granted the next day. The lawsuit seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

WestStar Mortgage Inc.

*Belmont County Court of Common Pleas, Case No. 09CV534*
On Dec. 4, 2009, the Attorney General filed a lawsuit against WestStar Mortgage Inc. charging the Washington, D.C., home appraisal company with influencing Ohio appraisals. According to the complaint, WestStar violated Ohio's Consumer Sales Practices Act through a series of actions, including using pre-printed "estimated value" forms for appraisals and shopping for a higher appraisal amount on behalf of clients. The complaint seeks declaratory and injunctive relief, consumer damages and civil penalties. The case is pending.

OTHER JUDGMENTS

All Line Appraisals  
*Franklin County Court of Common Pleas, Case No. 07 CVH 06 07545*  
The Attorney General had filed a lawsuit against this Phoenix-based company on June 7, 2007. The 2007 complaint charged All Line Appraisals with engaging in a practice known as “pre-comping,” or asking appraisers if they would be able to reach a specific value for a particular property. When All Line Appraisals failed to comply with a court order to respond to the Attorney General’s discovery requests, the court issued a January 22, 2009, entry granting default judgment against All Line Appraisals. The entry included a permanent injunction and a $25,000 civil penalty.

Apex Mortgage Services LLC  
*Belmont County Court of Common Pleas, Case No. 07 CV 0261*  
The Attorney General filed a lawsuit against Apex Mortgage Services on June 7, 2007. This mortgage company engaged in the practice known as “pre-comping” by asking appraisers if they would be able to reach a specific value for a particular property. The court granted the Attorney General a summary judgment on March 10, 2009. The judgment included declaratory and injunctive relief, $1,800 in restitution and $50,000 in civil penalties.

Appleby Painting Inc./Troy Appleby  
*Franklin County Court of Common Pleas, Case No. 08 CVH02-1792*  
A Feb. 4, 2008, lawsuit charged Appleby Painting Inc. and its owner, Troy Appleby, with violations of the Consumer Sales Practices Act in their solicitation and sale of home-improvement services. The defendants entered into contracts with consumers for house painting but failed to deliver the agreed-upon services. On Feb. 23, 2009, the court issued a default judgment against the defendants. It included injunctive and declaratory relief, $5,850 in consumer restitution and a $200,000 civil penalty.

Concrete Crew/Dennis Ranke Jr.  
*Franklin County Court of Common Pleas, Case No. 08 CVH-02-1788*  
Concrete Crew, operated by Dennis Ranke Jr., was a Central Ohio business that provided home improvement services, including concrete and general construction services. The company accepted deposits for services from
consumers but either provided no services or did incomplete and shoddy work. On Feb. 4, 2008, the Attorney General filed a lawsuit against the Concrete Crew and Dennis Ranke, alleging violations of the Consumer Sales Practices Act. The case concluded with a Consent Judgment Entry and Order filed on Sept. 30, 2009. It provided declaratory and injunctive relief, $6,561.25 in consumer restitution and a $125,000 civil penalty suspended on the condition of strict compliance with the order.

First Choice Vinyl Inc./Raymond Burdette
Franklin County Court of Common Pleas, Case No. 07 CVH 03 4294
The Attorney General filed this home improvement case on March 27, 2007, for violations of the Consumer Sales Practices Act and Ohio’s Do Not Call Law. The lawsuit also named Raymond Burdette, the owner of the business, as an individual defendant. The complaint alleged that the defendants provided shoddy work for various home improvement projects. They also placed telephone calls to consumers who had listed their telephone numbers on the Do Not Call Registry. The court granted the Attorney General a default judgment. An April 6, 2009, Decision and Final Entry included the requested injunctive and declaratory relief, $116,231 in consumer restitution and a $175,000 civil penalty.

First Ohio Banc and Lending Inc.
Belmont County Court of Common Pleas, Case No. 07 CV 259
The Attorney General settled with First Ohio Banc and Lending, located in Independence, Ohio, to resolve a 2007 lawsuit alleging the company engaged in unfair and deceptive home appraisal practices, including deceptive advertising. In the Nov. 24, 2009, agreed entry, First Ohio admitted that aspects of its advertising were deceptive and agreed to pay the state $52,400, including $2,400 for consumer restitution.

Foreclosure Solutions LLC/Timothy Buckley
Hamilton County Court of Common Pleas, Case No. A0707073
Foreclosure Solutions was a Cincinnati company that operated a mortgage foreclosure rescue scam. Timothy Buckley was the sole owner of the business. An Attorney General investigation produced evidence that this company violated consumer laws by making false promises to save consumers’ homes from foreclosure. On Aug. 8, 2007, the Attorney General filed a lawsuit charging the defendants with violations of the Consumer Sales Practices Act, Home Solicitation Sales Act, Debt Adjusters Act and Credit Services Organization Act. A default judgment was entered on May 1, 2009, when the court adopted the magistrate’s April 14, 2009, decision. The default judgment included declaratory and injunctive relief, $79,565 in consumer restitution and a $225,000 civil penalty.

Frontier Appraisals LLC
Muskingum County Court of Common Pleas, Case No. CH 2007-0947
In December 2007, the Attorney General filed a lawsuit against Frontier Appraisals as part of a sweep targeting businesses that used undue influence on appraisers. Frontier Appraisals was not licensed in Ohio as a mortgage broker or as a second mortgage lender. The business attempted to improperly influence the outcome of the appraisal instead of allowing the appraiser to complete an independent appraisal of the property. The case concluded on Feb. 23, 2009, with an Agreed Final Entry and Order. As part of the settlement, the court prohibited Frontier Appraisals from indicating a loan amount or estimated value in future appraisal requests. The court also ordered the business to pay a $25,000 civil penalty, with $20,000 suspended upon strict compliance with the order.

Gabbard Cars/Max Gabbard Jr./Max Gabbard III  
*Medina County Court of Common Pleas, Case No. 08CIV0839*

Max Gabbard Jr. and Max Gabbard III operated Gabbard Cars Inc., a now-defunct used-car dealership that sold several cars without delivering titles to the purchasers. On April 30, 2008, the Attorney General filed a lawsuit against the company for violations of the Title Defect Rescission Act (TDR) and Consumer Sales Practices Act. Default judgments against all defendants were entered on March 3, 2009. The judgment against Gabbard Cars and Max Gabbard Jr. included $41,516.41 in restitution to the TDR Fund, injunctive relief, $1,738.02 in consumer restitution and a $25,000 civil penalty. The judgment against Max Gabbard III was limited to injunctive relief because he filed for bankruptcy.

Gutter Champ LLC  
*Franklin County Court of Common Pleas, Case No. 08 CV 007778*

Gutter Champ operated a gutter installation and repair business in Ohio. After receiving consumer complaints alleging shoddy installations, late starts and financing issues, the Attorney General filed a lawsuit against the company and its business owners on May 29, 2008. Specific violations of the Consumer Sales Practices Act included accepting large down payments and either failing to do any work or performing work in a substandard manner. On Dec, 24, 2008, the court issued a default judgment against Gutter Champ LLC and owner Paul J. Wermeling. It included a permanent injunction, $24,641 in consumer restitution and a $50,000 civil penalty. The Attorney General entered into a Consent Judgment with defendant Zachary Woodruff on Jan. 9, 2009. Mr. Woodruff consented to a permanent injunction and $2,000 in attorney fees and costs, with $1,500 suspended on the condition of full compliance with the terms of the Consent Judgment.

Inner Health Chiropractic Inc.  
*Franklin County Court of Common Pleas, Case No. 08 CVH-05-6908*

Inner Health Chiropractic, an Ohio corporation, offered chiropractic, wellness and rehabilitation services. It solicited some of its new business by contacting consumers directly at their home telephone numbers or cellular telephone numbers listed on police reports of traffic accidents. Some of these numbers had been placed on the National Do Not Call Registry. On May 9, 2008, the Attorney
General filed a lawsuit for violations of Ohio’s Do Not Call Law and Consumer Sales Practices Act. The Attorney General obtained a summary judgment against the defendant. It included declaratory and injunctive relief, $5,500 in consumer restitution and a $2,000 civil penalty.

McCune Cycle World Inc.
*Richland County Court of Common Pleas, Case No. 2008 CV 0812*
Based in Mansfield, Ohio, McCune Cycle World sold all-terrain vehicles and motorcycles. It routinely charged consumers freight and/or dealer charges above the advertised Manufacturer’s Suggested Retail Price. On April 8, 2008, the Attorney General filed a lawsuit alleging several violations of the Consumer Sales Practices Act, including failure to include freight charges in advertised prices and failure to make vehicles available at advertised prices. The case concluded with a Consent Judgment on Dec. 22, 2008. It included injunctive relief, $30,347.45 in consumer restitution plus an after-identified consumer clause and a $25,000 civil penalty, with $20,000 suspended upon the company’s compliance with all terms of the Consent Judgment.

NAL Group Inc., et al.
*Franklin County Court of Common Pleas, Case No. 08 CV 8316*
On June 10, 2008, the Attorney General filed a lawsuit against NAL Group Inc., a motor-vehicle dealer accused of failing to deliver numerous motor-vehicle titles to purchasers. The complaint alleged violations of the Title Defect Rescission Act and Consumer Sales Practices Act. Various creditors also were named as defendants to help ensure that titles could be delivered to the purchasers. During litigation, many titles were recovered and transferred to the purchasers. On May 15, 2009, an Agreed Settlement and Order of Dismissal was entered against defendant Lindsay Acura, ordering it to transfer a title to a purchaser and to pay a $5,000 civil penalty. The case concluded with an Oct. 20, 2009, Consent Judgment that included NAL Group Inc. and the individual defendants. The judgment included declaratory and injunctive relief, $21,108.50 in restitution to the Consumer Protection Enforcement Fund, $6,012.98 in consumer restitution and a $125,000 civil penalty, with $100,121.48 suspended upon full compliance with the terms of the judgment.

National Bullet Co. Inc./Kenneth Bayko
*Lake County Court of Common Pleas, Case No. 08 CV 001807*
National Bullet and principal Kenneth Bayko sold ammunition products over the Internet. After receiving numerous complaints from consumers who claimed they never received the products they purchased and never received refunds, the Attorney General filed a lawsuit in Lake County on June 4, 2008. The lawsuit alleged failure to deliver, in violation of the Consumer Sales Practices Act. A summary judgment was entered against defendant Kenneth Bayko on Jan. 2, 2009. It included a permanent injunction, $10,428.61 in consumer restitution and a $25,000 civil penalty.
Nations Lending Corp.
*Cuyahoga Court of Common Pleas, Case No. CV 644350*

The Attorney General filed a lawsuit against Nations Lending Corp. in December 2007 as part of a sweep targeting businesses that used undue influence on appraisers. Nations Lending attempted to improperly influence the outcome of the appraisal instead of allowing the appraiser to complete an independent appraisal of the property. The case concluded with an Agreed Final Entry and Order on Sept. 22, 2009. It included injunctive relief, $5,000 in attorney fees and costs, and a $25,000 civil penalty, with $15,000 suspended upon strict compliance with the order.

Please Save My Home/James R. Van Putten
*Cuyahoga Court of Common Pleas, Case No. CV 08 679588*

The Attorney General filed a lawsuit on Dec. 19, 2008, against this foreclosure-rescue business and its owner, James R. Van Putten. Please Save My Home was not registered with the Ohio Secretary of State. It solicited homeowners who had foreclosures filed against them, but it failed to deliver promised services and did not make refunds. On April 10, 2009, the court granted the Attorney General a default judgment that included declaratory and injunctive relief. Following a damages hearing, a May 20, 2009, journal entry granted $8,880 in consumer restitution and a $150,000 civil penalty.

Pool Magic/Edward Danczak
*Summit County Court of Common Pleas, Case No. CV 2008 06 4442*

The Attorney General filed a lawsuit against Pool Magic and Edward Danczak on June 19, 2008, for violations of the Consumer Sales Practices Act. The Attorney General had launched an investigation after a consumer complained that Pool Magic abandoned the installation of an in-ground pool, leaving the consumers with a hole in their backyard, damage to their property and none of the supplies for which they already had paid. The court awarded the Attorney General a default judgment against the defendants on Oct. 28, 2008. After a damages hearing, the case concluded with an Order and Decision filed April 20, 2009. It included declaratory and injunctive relief, $49,644.82 in consumer restitution and a $50,000 civil penalty.

ASSURANCES OF VOLUNTARY COMPLIANCE

Aria’s Oriental Rugs Inc.

On Dec. 11, 2009, the Attorney General reached an Assurance of Voluntary Compliance with Aria’s Oriental Rugs, a Cincinnati business. The agreement resolved concerns that Aria’s ran a distress sale for more than the time permitted by Ohio law. The law prohibits suppliers from advertising distress sales, such as going-out-of-business sales and final liquidations sales, for more than 90 days total. According to the agreement, Aria’s will comply with the distress sale law and pay the Attorney General $1,500 for investigative and administrative costs. A
$10,000 payment to the Consumer Protection Enforcement Fund will be suspended upon full compliance with the terms of the assurance.

**Chesrown Oldsmobile GMC Truck Inc., d/b/a Chesrown Kia Town**
The Attorney General initiated an investigation into Chesrown Oldsmobile GMC Truck Inc./Chesrown Kia Town due to concerns that the auto dealer was advertising in violation of the Consumer Sales Practices Act. Specific concerns included failure to clearly and conspicuously disclose material terms, misrepresentation of savings and prize giveaway violations. The investigation concluded with an Assurance of Voluntary Compliance entered on Oct. 16, 2009. Chesrown agreed to comply with Ohio laws for advertising motor vehicle sales, to resolve consumer complaints related to its advertising and to pay the Attorney General $15,000 for costs.

**Coca-Cola Co./Nestle USA Inc./Beverage Partners Worldwide North America**
The Ohio Attorney General joined 26 states and the District of Columbia to investigate advertising claims that drinking Enviga (a green tea beverage) burned more calories than it contained, resulting in weight loss. The study cited by Coca-Cola Co., Nestle USA Inc. and Beverage Partners Worldwide North America was inadequate and did not establish that any of the calorie-burning effects could be sustained over time. On Feb. 26, 2009, the attorneys general announced an Assurance of Voluntary Compliance in which the companies agreed to pay $650,000 to the states and to add marketing disclosures to resolve the questionable claims. Ohio’s share of the settlement was $29,000. As a result of the settlement, any marketing of Enviga or a similar beverage that uses the terms “the calorie burner,” “negative calories” or “drink negative” — or that makes any explicit or implicit claims that consumers will burn calories by drinking Enviga — must contain a clear and conspicuous disclosure that the product does not produce weight loss without diet and exercise.

**Dave Dennis Inc., d/b/a Dave Dennis Auto Group, Dave Dennis Chrysler Jeep Dodge and Dave Dennis Pre-Owned**
Dave Dennis Inc. operates several new and used motor vehicle dealerships in Greene County, Ohio. The dealerships advertise through direct-mail solicitations, newspaper inserts, radio and television. An Attorney General investigation raised concerns as to whether the advertisements complied with the Consumer Sales Practices Act. The investigation concluded in May 2009, when the Attorney General entered into an Assurance of Voluntary Compliance with Dave Dennis Inc., Dave Dennis Auto Group, Dave Dennis Chrysler Jeep Dodge and Dave Dennis Pre-Owned. The agreement requires the businesses to comply with the Consumer Sales Practice Act in future advertisements. It also includes a $10,000 payment for attorney fees and investigative costs.
Dell Inc./Dell Financial Services LLC
On Jan. 12, 2009, the Ohio Attorney General and 33 states reached a settlement with Dell Inc. and its subsidiary, Dell Financial Services LLC, to resolve consumer protection issues caused by the company’s financing promotions, rebate offers, technical support and repair policies. As part of the Assurance of Voluntary Compliance, Dell agreed to several conditions, including fulfilling warranty and rebate obligations within specified timeframes and substantiating claims about the quality of its customer service. The company must make specific disclosures to consumers before they apply for Dell credit accounts and in advertisements for promotional financing offers. Dell also must tell consumers that being approved for financing does not guarantee qualification for conditional financing promotions. Consumer restitution was addressed through a claim submission process open to all consumers who purchased a Dell product between April 1, 2005, and April 13, 2009, and experienced any of the problems addressed by the settlement. The Assurance of Voluntary Compliance also included a monetary payment to the states. Ohio’s share was $75,000 for costs associated with the investigation.

Foreclosure Assistance LLC
Arizona-based Foreclosure Assistance operated a foreclosure-rescue scam. It offered to help save an Ohio homeowner from foreclosure and took $1,295 for the service, but it failed to provide the promised assistance. This conduct violated the Debt Adjuster Act. The case concluded with an Assurance of Voluntary Compliance entered on Jan. 15, 2009, in which Foreclosure Assistance agreed to comply with the Debt Adjusters Act and Consumer Sales Practices Act in any future transactions. The agreement also included $1,295 in consumer restitution and $1,000 as reimbursement for costs to the Attorney General.

Golden Rod Auto Inc./Hogop Lee
Golden Rod Auto sells used cars and performs motor vehicle repairs and services. Hogop Lee is the owner and operator of the business. The business originally operated under two corporate names, Golden Rod Auto and Golden Rod Wholesale, but it has no active status as a corporation. Golden Rod Wholesale, however, is licensed by the Ohio Bureau of Motor Vehicles as a used car dealer. After receiving consumer complaints related to repair and service issues, the Attorney General opened an investigation into the company. The case concluded with an Assurance of Voluntary Compliance entered on July 6, 2009, in which the supplier agreed to comply with the Consumer Sales Practices Act and to pay the Attorney General $500 for costs.

Interstate Ford Inc.
Interstate Ford is a Montgomery County auto dealership. The Attorney General investigated the dealership for possible violations of the Advertisement and Sale of Motor Vehicles Rule and the Consumer Sales Practices Act. Previously, the Attorney General had issued two cease-and-desist orders for similar auto advertising violations. An investigation into Interstate Ford concluded with an
Assurance of Voluntary Compliance entered on April 7, 2009. Pursuant to that agreement, Interstate Ford will refrain from violating Ohio’s consumer protection laws, specifically with respect to the Exclusions and Limitations in Advertisements Rule, Direct Solicitations Rule, and Advertisement and Sale of Motor Vehicles Rule. In addition, Interstate Ford paid $7,500 to the Attorney General, with an additional $2,500 suspended upon full compliance with the terms of the Assurance of Voluntary Compliance.

**Merck & Co. Inc./Schering-Plough Corp./MSP Singapore Co. LLC**
The Ohio Attorney General took part in a multi-state investigation of whether Merck-Schering Plough (Merck) was deceptive in its marketing of the statin/cholesterol management drug Vytorin. The investigation resulted in a July 15, 2009, Assurance of Voluntary Compliance. Vytorin is a combination drug that claims to lower bad cholesterol levels and raise good cholesterol levels. The multi-state group investigated whether Merck intentionally delayed announcing the results of a major study that showed that while effective in lowering levels, Vytorin was not effective in combating the buildup of plaque in arteries, which can lead to heart attack and stroke. The data results appeared to be available in spring 2006, yet were not announced until January 2008. The Assurance of Voluntary Compliance prohibits Merck from making false, misleading or deceptive claims in advertising. Ohio received $200,000 as its share of the costs provision.

**Michelin North America Inc.**
On May 11, 2009, the Ohio Attorney General joined 16 state attorneys general in reaching an Assurance of Voluntary Compliance with Michelin North America Inc. (Michelin) to resolve concerns about advertising claims for a line of Michelin tires. Beginning in May 2008, Michelin ran a national advertising campaign claiming that consumers could save money by using Michelin's fuel-efficient tires. The ads contained claims such as, "It's time to fight back. Michelin fuel-efficient, long-lasting tires help you save money," and “Michelin makes the most fuel-efficient line of tires on the road, which saves you money over the life of your tires.” The attorneys general alleged that these cost-saving claims were based solely on fuel costs and did not include other factors that might affect savings, such as initial cost of the tire or average life of the tire in terms of mileage. Michelin's own studies found that the tires were the most fuel-efficient in only 78 percent of its classes of tires. As part of the settlement, Michelin agreed to substantiate fuel efficiency claims in advertisements and to pay a total of $375,000 to the participating states.

**Mortgage Assistance Solutions LLC**
Mortgage Assistance Solutions operated a foreclosure-rescue scam. It offered to help homeowners save their homes from foreclosure and charged them a $900 advance fee, plus an additional $300, but never provided promised services. The case was resolved through a Jan. 13, 2009, Assurance of Voluntary Compliance in which Mortgage Assistance Solutions agreed not to violate the Consumer
Sales Practices Act, the Telephone Solicitations Sales Act or the Debt Adjusters Act. The agreement also required Mortgage Assistance Solutions to pay $2,000 to reimburse the Attorney General for costs. The company had provided consumer restitution before the agreement was finalized.

O’Neys Inc., d/b/a O’Neys Salon & Spa/Judy O. Roberts/Shirley Ann Barnhart
Based in Montgomery County, O’Neys Salon & Spa was a beauty salon/day spa, co-owned by sisters Judy Roberts and Shirley Barnhart. O’Neys closed in May 2008 after 35 years in business. In the process, the salon failed to honor gift cards and certificates that it had previously sold to consumers. The matter concluded with a Feb. 24, 2009 Assurance of Voluntary Compliance in which the owners agreed to immediately stop engaging in consumer transactions as suppliers in Ohio. They also agreed to immediately dissolve the corporation with the Ohio Secretary of State. The agreement did not include any monetary payment because the business had closed, Judy Roberts had filed bankruptcy and all property had been auctioned, with proceeds delivered to the Internal Revenue Service.

Peterson Home Improvement LLC/Scott Peterson
Peterson Home Improvement was a Columbus home improvement company operated by Scott Peterson. Within one year, the Attorney General received approximately 10 consumer complaints alleging Peterson did slow and shoddy work. Consumer complaint resolution stalled, and Peterson filed for bankruptcy on Nov. 19, 2008. The Attorney General's investigation concluded with an Assurance of Voluntary Compliance entered on Jan. 27, 2009, in which Scott Peterson agreed to dissolve the business with the Ohio Secretary of State. He also agreed to stop entering into consumer transactions in Ohio for five years. Due to the bankruptcy proceedings, the agreement did not include consumer restitution. A $10,000 civil penalty was suspended on the condition of full compliance with the terms of the Assurance of Voluntary Compliance.

TJX Cos. Inc.
This matter involved the 2006-2007 data breach of TJX Cos., the parent corporation for TJ Maxx, Marshall’s and other clothing retailers. Following the breach, a multi-state investigation looked into the failure of TJX Cos. to maintain proper data security procedures to ensure the safety of customers’ personal/financial information. Ohio served on the executive committee of this multi-state effort. The investigation concluded with an Assurance of Voluntary Compliance on June 22, 2009. It contained injunctive provisions and a payment to the states for costs and fees. Ohio received $386,000 for its share of the costs.

Vonage Holdings Corp.
On Nov. 16, 2009, the Attorney General announced a multi-state Assurance of Voluntary Compliance with Vonage, one of the nation’s largest providers of Internet-based phone service. The settlement came in response to hundreds of
complaints from consumers throughout the nation who had difficulty canceling their Vonage service. Prior to the agreement, Vonage had a policy to provide additional incentives to customer-service representatives who retained customers who called to cancel, making it nearly impossible for consumers to terminate service. The settlement puts strict limitations on this policy and requires recording and verification of such phone calls. It also requires Vonage to give refunds to eligible consumers who filed complaints dating back to January 2004 and extending through March 16, 2010.

C. CONSUMER ASSISTANCE UNIT

The Consumer Assistance Unit employs 15 complaint specialists and two Title Defect Rescission Fund (TDR) personnel. The staff serves consumers who file complaints against various businesses. In 2009, the Consumer Assistance Unit received more than 28,000 consumer complaints and inquiries.

Complaint specialists provide informal dispute resolution by contacting the businesses in an attempt to resolve consumer complaints and to bring the businesses into compliance with Ohio law. The specialists have concentrated areas of expertise. For instance, one specialist serves as Lemon Law Administrator, helping consumers resolve related complaints and assisting with the arbitration process. The TDR staff members help motor vehicle purchasers obtain automobile titles and temporary tags. They also maintain the TDR registration and billing program.

In 2009, the Consumer Assistance Unit expanded its conciliation services to small businesses and nonprofits. The purpose of this effort is to help small businesses and nonprofits resolve their consumer-related disputes and to enhance the office’s ability to monitor the marketplace for unfair or deceptive practices.

All consumer complaint information is used for possible investigative referrals. Complaint specialists refer businesses for investigation based upon consumer complaint volume, apparent trends, patterns of abuse and other factors. The ability to identify problem businesses is critical in the Consumer Protection Section’s attempt to protect consumers. Many investigative referrals have led to successful litigation.

Top Ten Consumer Complaints Reported to the Attorney General’s Office

Every year, the Attorney General compiles a list of the top 10 complaint-generating areas. In 2009, the top 10 areas were:

1. Motorized vehicles
2. Collections, credit reporting or financial services
3. Household goods or property improvement  
4. Internet or phone  
5. Shopping, food or beverages  
6. Mortgage  
7. Computers or electronics  
8. Professional services  
9. Health and beauty  
10. Utilities  

D. EDUCATION

In 2009, the Consumer Protection Education and Outreach Unit expanded efforts to educate Ohioans about their consumer rights and warn them about scams through workshops targeted to help diverse audiences learn their rights and avoid scams. In all, the unit attended or coordinated nearly 250 events. It also developed new publications and Web content to educate Ohioans about consumer issues. Additionally, it launched several new partnerships to advance its goals.

Consumer Awareness Workshops
To help all Ohioans learn their rights, the Consumer Education and Outreach Unit provides specialized workshops tailored for distinct audiences, such as seniors, veterans and jobseekers. It also offers a presentation called “Being a Smart Consumer in Today’s Tough Economy” that is suitable for all consumers.

To protect Ohio’s seniors, the unit offers “Senior Fraud and Scams,” designed to help seniors and caretakers recognize the signs of fraud and guard against scams. Similarly, “Job Seekers Beware” helps protect Ohioans seeking employment from job scams, and “Scams Against the Military and Veterans” warns service members and their families about scams targeting our military population.

“Take Charge of Your Credit” teaches consumers about their credit reports and scores, whereas “Plan Well, Live Well,” a joint presentation involving the Ohio Attorney General’s Office and Legal Aid, highlights the four documents everyone needs, scams to avoid, misconceptions about probate and Medicaid eligibility.

Homeowners in danger of foreclosure benefit from a presentation called “Save the Dream of Homeownership,” which discusses free federal, state and local resources that can help them keep their homes and avoid foreclosure rescue scams.

“Know Your Rights: A Consumer Guide for Students” teaches high school and college students about their consumer rights and spending wisely in today’s economy. In 2009, the Consumer Education and Outreach Unit launched this presentation to incoming first-year students through a partnership with The Ohio
State University. The unit hopes to replicate this model in schools throughout the state.

To educate Ohio’s workers, the unit reached out to groups such as the United Auto Workers and the United Steel Workers of America to help members learn their consumer rights, spend their money wisely and avoid job opportunity scams and foreclosure rescue scams.

Publications
In 2009, the Consumer Education and Outreach Unit developed and updated dozens of publications to help Ohioans learn their rights and recognize consumer scams. “Elder Fraud,” for example, teaches seniors about common scams, such as sweepstakes scams and work-at-home scams, and it directs them to helpful resources, such as the National Do Not Call Registry.

In 2009, the section published an educational piece exclusively for the business community, “Guidelines for Motor Vehicle Advertising,” to help auto dealers understand Ohio’s laws for motor vehicle advertising. The section also continued its electronic newsletters, the Consumer Law Advisor for the legal community and the Consumer Advocate for all consumers.

Partnerships and In-House Trainings
The 2009 season kicked off with National Consumer Protection Week, during which Consumer Education and Outreach partnered with nearly two dozen organizations to offer 20 presentations across the state. Throughout the year, the unit formed additional partnerships with organizations that included Call to Action, Ohio Department of Job and Family Services, senior centers, domestic violence shelters, the Columbus Metropolitan Housing Authority, the Ohio Department of Insurance, assisted living centers and Ohio State University Extension.

The Consumer Education and Outreach Unit also coordinates Save Our Homes, an Ohio network of local foreclosure intervention groups that work to educate and provide foreclosure services to homeowners. In July, the unit held a Save Our Homes Summit at which nearly 200 community leaders and experts gathered to discuss Ohio’s foreclosure crisis and possible solutions.

Throughout the year, the unit also coordinated several in-house staff trainings to educate Consumer Protection Section employees on topics such as damages and arbitration, credit scores and reports, the Truth in Lending Act, small claims court, the Better Business Bureau, the Ohio Department of Insurance and the Ohio Consumer’s Council.
E. CONSUMER LAWS

In addition to the Consumer Sales Practices Act, the Ohio Attorney General’s Consumer Protection Section enforces many other Ohio laws and federal statutes created to protect consumers from unfair business practices. Among the Ohio laws the Consumer Protection Section is charged with enforcing are:

Predatory Lending Law: Brings non-bank mortgage lenders and mortgage brokers into the jurisdiction of the Consumer Sales Practices Act, providing the Attorney General authority to investigate and initiate legal proceedings against predatory lending practices.

Home Solicitation Sales Act: Protects consumers from unethical door-to-door sales practices and allows consumers a three-day “cooling off” period during which the sale can be canceled.

Telephone Solicitation Sales Act: Requires certain telephone solicitors to meet statutory requirements, post a bond and register with the Ohio Attorney General’s Office prior to being able to solicit Ohio consumers.

Prepaid Entertainment Contracts Act: Protects consumers who sign contracts with health spas, dance studios, diet centers, dating services and martial arts training schools by providing a three-day “cooling off” period and by specifying conditions under which a contract can be canceled.

Title Defect Rescission Act: Creates the Title Defect Rescission Fund, administered by the Consumer Protection Section, to provide refunds to retail purchasers of motor vehicles who are unable to obtain a certificate of title within the statutory period of time.

Lemon Law: Requires automakers to repair any design or construction defect that affects the use, value or safety of a new motor vehicle within the first 12 months or 18,000 miles.

Odometer Rollback and Disclosure Act: Makes it illegal to alter the mileage reading of a motor vehicle and requires that accurate mileage disclosures be made when selling the motor vehicle.

Business Opportunities Purchasers Protection Act: Requires the disclosure of certain information in the sale of business opportunity plans and provides other safeguards such as a required “cooling off” period for consumer investors.

Credit Services Organizations Act: Regulates businesses that charge consumers to improve credit histories or obtain extensions of credit by requiring various disclosures, a “cooling off” period and prohibiting certain conduct such as receiving any payment prior to providing all services.
Debt Adjusters Act: Regulates businesses that offer debt pooling, adjusting or management services by requiring business audits and insurance coverage, and by placing limitations on contributions that can be accepted from the debtor.

Credit Freeze Act: Requires credit reporting agencies to allow consumers to place credit freezes on their credit reports to prevent the extension of new credit and outlines how to temporarily or permanently remove the freezes.

Small Loan Lender Act: Limits permissible payday loan interest rate charges to 28 percent, prohibits unfair debt collection practices and requires Internet lenders to have an Ohio location.

QUESTIONS REGARDING THE CONTENTS OF THIS REPORT MAY BE DIRECTED TO:

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30 E. Broad St., 14th Floor
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Deputy Chief Counsel Sarah Lynn
30 E. Broad St., 17th Floor
Columbus, OH 43215

Consumer complaints are filed:

- By calling the Help Center at (800) 282-0515
- By sending information to Consumer Protection Section, 30 E. Broad St., Floor 14, Columbus, OH 43215