

Judge Pechman

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13 UNITED STATES DISTRICT COURT
14 WESTERN DISTRICT OF WASHINGTON
15 AT SEATTLE

16 UNITED STATES OF AMERICA,
17 Plaintiff,

18 v.

19 BRAKE GUARD PRODUCTS, INC.; BRAKE
GUARD LIMITED LIABILITY COMPANY, a
Nevada Limited Liability Company; BRAKE
GUARD LIMITED LIABILITY COMPANY, a
20 Washington Limited Liability Company;
KIMBERLY BENNETT, in her capacity as
21 personal representative of the estate of ED F.
JONES, a/k/a Ellsworth F. Jones; and
22 LAWRENCE H. JONES, an individual,

23 Defendants.
24

FILED _____ ENTERED _____
LODGED _____ RECEIVED _____
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AT SEATTLE
CLERK U.S. DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
BY _____ DEPUTY

NO. C01-686P

[proposed]

CONSENT DECREE

25 WHEREAS: Plaintiff, the United States of America ("United States"), acting upon
26 notification and authorization to the Attorney General by the Federal Trade Commission ("FTC"
27 or the "Commission"), has commenced this action by filing the Complaint herein against
28 defendants Brake Guard Products, Inc.; Brake Guard Limited Liability Company, a Nevada

1 Limited Liability Company; Brake Guard Limited Liability Company, a Washington Limited
2 Liability Company; Kimberly Bennett, in her capacity as personal representative of the estate of
3 Ed F. Jones, a/k/a Ellsworth F. Jones; and Lawrence H. ("Larry") Jones. After defendants Brake
4 Guard Products, Inc., Brake Guard Limited Liability Company, a Nevada Limited Liability
5 Company, Brake Guard Limited Liability Company, a Washington Limited Liability Company,
6 Kimberly Bennett, in her capacity as personal representative of the estate of Ed F. Jones, a/k/a
7 Ellsworth F. Jones, failed to answer the United States' complaint, the Court entered a default
8 judgment against them. Larry Jones has been represented by the attorney whose name appears
9 hereafter; and these parties have agreed to settlement of this action against Larry Jones upon the
10 following terms and conditions, without adjudication of any issue of fact or law;

11 THEREFORE, on the joint motion of the United States and Larry Jones, it is hereby
12 ORDERED, ADJUDGED, and DECREED as follows:

13 **FINDINGS**

- 14 1. This Court has jurisdiction over the subject matter and the parties.
- 15 2. The Complaint states a claim upon which relief may be granted against Larry Jones
16 under Sections 5(a), 5(l), 9, 13(b) and 16(a) of the Federal Trade Commission Act ("FTC Act"),
17 15 U.S.C. §§ 45(a), 45(l), 49, 53(b) and 56(a).
- 18 3. Venue is proper as to all parties in the Western District of Washington.
- 19 4. Larry Jones' activities are in or affecting commerce, as defined in the FTC Act, 15
20 U.S.C. § 44.
- 21 5. Larry Jones has entered into this Consent Decree freely and without coercion.
22 Larry Jones further acknowledges that he has read the provisions of this Consent Decree and is
23 prepared to abide by them.
- 24 6. The United States and Larry Jones hereby waive all rights to appeal or otherwise
25 challenge or contest the validity of this Consent Decree.
- 26 7. With entry of this Consent Decree, the United States and Larry Jones waive any
27 rights to seek attorneys' fees from each other, and are not entitled to seek or obtain attorneys' fees,
28 including any attorneys' fees as a prevailing party under the Equal Access to Justice Act, 28

1 U.S.C. § 2412, as amended by Pub. L. 104-121, 110 Stat. 847, 863-64 (1996).

2 8. This Consent Decree is in the public interest.

3 **DEFINITIONS**

4 9. "Commission's Order" means the FTC Order in FTC Docket No. 9277 (1998), a
5 copy of which is attached hereto as Attachment A and made a part of this Consent Decree.

6 10. "Competent and reliable scientific evidence" means tests, analyses, research,
7 studies, or other evidence based on the expertise of professionals in the relevant area, that has
8 been conducted and evaluated in an objective manner by persons qualified to do so, using
9 procedures generally accepted in the profession to yield accurate and reliable results.

10 11. "Assisting others" means providing any of the following goods or services to any
11 person or business entity:

12 A. performing customer service functions, including but not limited to
13 receiving or responding to consumer complaints;

14 B. formulating, providing, or arranging for the formulation or provision of, any
15 marketing material;

16 C. formulating, providing for, arranging for, or participating in, the
17 formulation, provision, or creation of any material to substantiate any claims;

18 D. providing names of, or assisting in the generation of, potential customers;

19 E. performing marketing services of any kind; or

20 F. acting as an officer, director, or manager of the business entity.

21 12. "Purchasers for resale" means all purchasers of the Brake Guard Safety System,
22 Advanced Braking System, Brake Guard ABS, Brake Guard Safety System Heavy Duty System
23 HD-400 or any braking system, accessory, or device, or any other system, accessory, or device
24 designed to be used in, on, or in conjunction with any motor vehicle for resale to the public,
25 including but not limited to franchisees, wholesalers, distributors, retailers, installers, and jobbers.

26 13. "Substantially similar product" means any product that is substantially similar in
27 components, techniques, composition or properties to a hydraulic accumulator.

28 **CIVIL PENALTY**

1 16. IT IS FURTHER ORDERED that Larry Jones and his agents, representatives, and
2 employees, directly or through any partnership, corporation, subsidiary, division, or other device,
3 and all persons in active concert or participation with him who receive actual notice of this
4 Consent Decree by personal service or otherwise, in connection with the manufacturing, labeling,
5 advertising, promotion, offering for sale, sale, or distribution of the Brake Guard Safety System,
6 Advanced Braking System, Brake Guard ABS, Brake Guard Safety System Heavy Duty System
7 HD-400 or any substantially similar product in or affecting commerce, as "commerce" is defined
8 in the Federal Trade Commission Act, are permanently restrained and enjoined from employing
9 the initials or term ABS in conjunction with or as part of the name for such product or the product
10 logo.

11 17. IT IS FURTHER ORDERED that Larry Jones and his agents, representatives, and
12 employees, directly or through any partnership, corporation, subsidiary, division, or other device,
13 and all persons in active concert or participation with him who receive actual notice of this
14 Consent Decree by personal service or otherwise, in connection with the manufacturing, labeling,
15 advertising, promotion, offering for sale, sale, or distribution of any braking system, accessory,
16 or device, or any other system, accessory, or device designed to be used in, on, or in conjunction
17 with any motor vehicle, in or affecting commerce, as "commerce" is defined in the Federal Trade
18 Commission Act, are permanently restrained and enjoined from representing, in any manner,
19 directly or by implication, that installation of the system, accessory, or device will make operation
20 of a vehicle safer than a vehicle that is not equipped with the system, accessory or device, unless,
21 at the time of making such representation, Larry Jones possesses and relies upon competent and
22 reliable scientific evidence that substantiates the representation.

23 18. IT IS FURTHER ORDERED that Larry Jones and his agents, representatives, and
24 employees, directly or through any partnership, corporation, subsidiary, division, or other device,
25 and all persons in active concert or participation with him who receive actual notice of this
26 Consent Decree by personal service or otherwise, in connection with the manufacturing, labeling,
27 advertising, promotion, offering for sale, sale, or distribution of any braking system, accessory,
28 or device, or any other system, accessory, or device designed to be used in, on, or in conjunction

1 with any motor vehicle, in or affecting commerce, as "commerce" is defined in the Federal Trade
2 Commission Act, are permanently restrained and enjoined from misrepresenting, in any manner,
3 directly or by implication:

4 A. That any such product complies with any standard, definition, regulation,
5 or any other provision of any governmental entity or unit, or of any other organization, or the
6 extent of such compliance;

7 B. That insurance benefits or discounts arising from the use of such product
8 are available or the extent of such availability; or

9 C. That any endorsement (as "endorsement" is defined in 16 C.F.R. § 255.0(b))
10 of such a product represents the typical or ordinary experience of members of the public who use
11 the product, unless:

12 (1) such representation is true, or

13 (2) Larry Jones and his agents, representatives, and employees, directly or
14 through any partnership, corporation, subsidiary, division, or other device, and all persons in
15 active concert or participation with him who receive actual notice of this Consent Decree by
16 personal service or otherwise disclose clearly, prominently, and in close proximity to the
17 endorsement or testimonial the generally expected results for users of such product, or the limited
18 applicability of the endorser's experience to what consumers may generally expect to achieve and
19 the possibility that consumers may not experience similar results.

20 19. IT IS FURTHER ORDERED that Larry Jones and his agents, representatives, and
21 employees, directly or through any partnership, corporation, subsidiary, division, or other device,
22 and all persons in active concert or participation with him who receive actual notice of this
23 Consent Decree by personal service or otherwise, in connection with the manufacturing, labeling,
24 advertising, promotion, offering for sale, sale, or distribution of any braking system, accessory,
25 or device, or any other system, accessory, or device designed to be used in, on, or in conjunction
26 with any motor vehicle, in or affecting commerce, as "commerce" is defined in the Federal Trade
27 Commission Act, are permanently restrained and enjoined from making any representation,
28 directly or by implication, regarding the absolute or comparative attributes, efficacy, performance,

1 safety, or benefits of such system, accessory, or device, unless such representation is true and, at
2 the time of making such representation, Larry Jones possesses and relies upon competent and
3 reliable evidence, which when appropriate shall be competent and reliable scientific evidence,
4 that substantiates the representation.

5 20. IT IS FURTHER ORDERED that Larry Jones and his agents, representatives, and
6 employees, directly or through any partnership, corporation, subsidiary, division, or other device,
7 and all persons in active concert or participation with him who receive actual notice of this
8 Consent Decree by personal service or otherwise, in connection with the manufacturing, labeling,
9 advertising, promotion, offering for sale, sale, or distribution of the Brake Guard Safety System,
10 Advanced Braking System, Brake Guard ABS, Brake Guard Safety System Heavy Duty System
11 HD-400 or any substantially similar product in or affecting commerce, as "commerce" is defined
12 in the Federal Trade Commission Act, are permanently restrained and enjoined from representing,
13 in any manner, directly or by implication, that such product:

14 A. Is an antilock braking system;

15 B. Prevents or substantially reduces wheel lock-up, skidding, or loss of steering
16 control in emergency stopping situations;

17 C. Will qualify a vehicle for an automobile insurance discount in a significant
18 proportion of cases;

19 D. Complies with a performance standard set forth in Wheel Slip Brake
20 Control System Road Test Code SAE J46;

21 E. Shortens stopping distances;

22 F. Will stop a vehicle in a shorter distance than a vehicle that is not equipped
23 with the product;

24 G. Complies with a standard pertaining to antilock braking systems set forth
25 by the National Highway Traffic Safety Administration; or

26 H. Provides antilock braking system benefits, including wheel lock-up control
27 benefits, that are at least equivalent to those provided by original equipment manufacturer
28 electronic antilock braking systems.

1 21. Larry Jones may file a request that the Commission agree to alter, to modify or to
2 set aside in whole or in part the Commission's Order. Larry Jones' request must contain a
3 satisfactory showing that changed conditions of law or fact, such as possessing competent and
4 reliable scientific evidence that requires modification of the Commission's Order. The request
5 must demonstrate in detail the nature of the changed conditions and the reasons why they require
6 the requested modification. The request cannot be merely conclusory or otherwise fail to set forth
7 by affidavit specific facts demonstrating in detail the nature of the changed conditions and the
8 reasons why they require the requested modification. The Commission shall, as required by its
9 regulations, determine whether the request complies with these requirements and whether the
10 Commission's Order should be modified within 120 days after the date of the request. The request
11 shall be filed with the Secretary of the Commission. In the event that the Commission denies the
12 request, Larry Jones may, with good cause shown, file a petition with the Court requesting the
13 modification. If the Commission grants the request, Larry Jones may move this Court to vacate
14 the injunctive provisions in this Consent Decree that correspond to the portions of the
15 Commission's Order that the Commission has modified at Larry Jones' request, and the United
16 States will not oppose such motion.

17 22. This Consent Decree is not intended to extend to products that Larry Jones' agents,
18 representatives, employees or purchasers for resale sell independently and without any
19 involvement of Larry Jones.

1 **ACKNOWLEDGMENT OF RECEIPT OF CONSENT DECREE**

2 23. IT IS FURTHER ORDERED that Larry Jones, within five (5) business days of
3 receipt of this Consent Decree as entered by the Court, shall submit to the United States and the
4 Commission a truthful sworn statement acknowledging receipt of this Consent Decree.

5 **IDENTIFICATION OF ALL PURCHASERS FOR RESALE**

6 24. IT IS FURTHER ORDERED that Larry Jones, within forty-five (45) days of the
7 date of entry of this Consent Decree by the Court, shall submit to the Commission a truthful
8 sworn statement of the full name, telephone number and mailing address of all purchasers for
9 resale.

10 **DISTRIBUTION OF CONSENT DECREE**

11 25. IT IS FURTHER ORDERED that, for a period of five (5) years from the date of
12 entry of this Consent Decree, Larry Jones shall:

13 A. Provide a summary of the definitions and Paragraphs 16 through 21, 25, 27
14 and 28 of this Consent Decree to be agreed upon by counsel to, and obtain a signed and dated
15 acknowledgment of receipt of same from, each officer and director, each individual serving in a
16 management capacity, all personnel involved in responding to consumer complaints or inquiries,
17 and all sales personnel, whether designated as employees, consultants, independent contractors,
18 purchasers for resale or otherwise, within forty-five (45) days of the date of entry of this Consent
19 Decree, and ensure reasonable procedures for the immediate distribution of the agreed upon
20 summary of the Consent Decree to any such person hired or employed after the date of this
21 consent decree for any business that Larry Jones directly or indirectly manages, controls, or has
22 an ownership interest in, that is engaged in the sale or distribution of Brake Guard Safety System,
23 Advanced Braking System, Brake Guard ABS, Brake Guard Safety System Heavy Duty System
24 HD-400 or any braking system, accessory, or device, or any other system, accessory, or device
25 designed to be used in, on, or in conjunction with any motor vehicle, or assisting others engaged
26 in these activities;

27 B. Provide written notice that any violation of this Consent Decree will result
28 in immediate termination to, and obtain a signed and dated acknowledgment of receipt of same

1 from, each officer and director, each individual serving in a management capacity, all personnel
2 involved in responding to consumer complaints or inquiries, and all sales personnel, whether
3 designated as employees, consultants, independent contractors, purchasers for resale or otherwise,
4 within forty-five (45) days of the date of entry of this Consent Decree, and ensure reasonable
5 procedures for such written notice to and acknowledgment of receipt of same from any such
6 person hired or employed after the date of this consent decree for any business that Larry Jones
7 directly or indirectly manages, controls, or has an ownership interest in, that is engaged in the sale
8 or distribution of Brake Guard Safety System, Advanced Braking System, Brake Guard ABS,
9 Brake Guard Safety System Heavy Duty System HD-400 or any braking system, accessory, or
10 device, or any other system, accessory, or device designed to be used in, on, or in conjunction
11 with any motor vehicle, or assisting others engaged in these activities; and

12 C. Maintain for a period of three (3) years after creation, and upon reasonable
13 notice make available to representatives of the United States or the Commission, the original
14 signed and dated acknowledgments of receipt, as required in Subsections A and B of this
15 Paragraph.

16 **COMPLIANCE REPORTING**

17 26. IT IS FURTHER ORDERED that, in order that compliance with the provisions of
18 this Consent Decree may be monitored:

19 A. For a period of five (5) years after the date of entry of this Consent Decree,
20 Larry Jones shall notify the Commission in writing of the following:

21 (1) Any changes in his mailing address and telephone numbers within
22 ten (10) days of the date of such change;

23 (2) Any changes in his employment status (including self-employment)
24 within ten (10) days of such change. Such notice shall include the name and address of each
25 business that Larry Jones is affiliated with, employed by, or performs services for, a statement of
26 the nature of the business, and a statement of Larry Jones' duties and responsibilities in connection
27 with the business;

28 (3) Any proposed changes in the structure of any business that Larry

1 Jones manages, controls, or has an ownership interest in, that is engaged in the sale or distribution
2 of Brake Guard Safety System, Advanced Braking System, Brake Guard ABS, Brake Guard Safety
3 System Heavy Duty System HD-400 or any braking system, accessory, or device, or any other
4 system, accessory, or device designed to be used in, on, or in conjunction with any motor vehicle,
5 or assisting others engaged in these activities that may affect compliance obligations arising under
6 this Consent Decree, including but not limited to a dissolution, assignment, sale, merger, or other
7 action that would result in the emergence of a successor business or corporation; the creation or
8 dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this
9 Consent Decree; the filing of a bankruptcy petition; or a change in the corporate name or address,
10 at least thirty (30) days prior to such change, provided that, with respect to any proposed change
11 about which Larry Jones learns less than thirty (30) days prior to the date such action is to take
12 place, Larry Jones shall notify the Commission as soon as is practicable after obtaining such
13 knowledge.

14 B. One hundred eighty (180) days after the date of entry of this Consent
15 Decree, Larry Jones shall provide a written report to the Commission, sworn to under penalty of
16 perjury, setting forth in detail the manner and form in which he has complied and is complying
17 with this Consent Decree. This report shall include, but not be limited to:

18 (1) any changes required to be reported pursuant to Subsection A of this
19 Paragraph;

20 (2) a copy of each acknowledgment of receipt obtained by Larry Jones
21 pursuant to Subsections A and B of Paragraph 24 of this Consent Decree; and

22 (3) a statement describing the manner in which Larry Jones has
23 complied and is complying with Paragraphs 16 through 20, 25, 27 and 28 of this Consent Decree;

24 C. For the purposes of this Consent Decree, Larry Jones shall, unless otherwise
25 directed by the Commission's authorized representatives, mail all written notifications to the
26 Commission to:

27 Associate Director
28 Division of Enforcement
Federal Trade Commission
600 Pennsylvania Avenue, N.W.

1 Washington, D.C. 20580

2 RE: Brake Guard

3
4 D. For the purposes of this Consent Decree, Larry Jones shall, unless otherwise
5 directed by a representative of the United States, identify all written notifications to the United
6 States as provided in reference to DJ# 102-3054, and mail them to:

7 Director, Office of Consumer Litigation
8 U.S. Department of Justice - Civil Division
9 P.O. Box 386,
10 Washington, D.C. 20044

11 E. For purposes of the compliance reporting required by this Consent Decree,
12 representatives of the United States and the Commission are authorized to communicate directly
13 with Larry Jones.

14 **MONITORING COMPLIANCE OF SALES PERSONNEL**

15 27. IT IS FURTHER ORDERED that Larry Jones and his agents, representatives and
16 employees, and all persons in active concert or participation with Larry Jones who receive actual
17 notice of this Consent Decree by personal service or otherwise, in connection with any business
18 engaged in the manufacturing, labeling, advertising, promotion, offering for sale, sale, or
19 distribution of the Brake Guard Safety System, Advanced Braking System, Brake Guard ABS,
20 Brake Guard Safety System Heavy Duty System HD-400 or any braking system, accessory, or
21 device, or any other system, accessory, or device designed to be used in, on, or in conjunction
22 with any motor vehicle, are hereby permanently restrained and enjoined from:

23 A. Failing to take reasonable steps sufficient to monitor and ensure that all
24 employees, purchasers for resale and independent contractors engaged in sales or other customer
25 service functions comply with Paragraphs 16 through 20 of this Consent Decree. Such steps shall
26 include reasonable monitoring of sales presentations, and shall also include, at a minimum, the
27 following:

28 (1) spot checking the oral representations made by persons engaged in
sales or other customer service functions;

(2) establishing a reasonable procedure for receiving and responding

1 to consumer complaints;

2 (3) establishing a reasonable procedure for ascertaining the number and
3 nature of consumer complaints regarding transactions in which each employee or independent
4 contractor is involved; and

5 (4) spot checking any advertisements, including those on the internet,
6 by persons engaged in sales or other customer service functions;

7 B. Failing to conduct a reasonable investigation of any consumer complaint
8 received by any business or person to which this Paragraph applies;

9 C. Failing to terminate any salesperson whom Larry Jones determines is not
10 complying with this Consent Decree; and

11 D. Failing to take reasonable steps to purchase any Brake Guard Safety System,
12 Advanced Braking System, Brake Guard ABS, Brake Guard Safety System Heavy Duty System
13 HD-400 or any braking system, accessory, or device, or any other system, accessory, or device
14 designed to be used in, on, or in conjunction with any motor vehicle, that Larry Jones and his
15 agents, representatives and employees, and all persons in active concert or participation with
16 Larry Jones or any business that Larry Jones directly or indirectly manages, controls, or has an
17 ownership interest in, sold to any salesperson whom Larry Jones has terminated for failure to
18 comply with this Consent Decree.

19 **RECORD-KEEPING PROVISIONS**

20 28. IT IS FURTHER ORDERED that, for a period of five (5) years from the date of
21 entry of this Consent Decree, in connection with any business that Larry Jones directly or
22 indirectly manages, controls or has an ownership interest in, that is engaged in the sale or
23 distribution of any product for use in conjunction with a motor vehicle, or assisting others
24 engaged in these activities, Larry Jones and his agents, employees, officers, corporations,
25 successors, and assigns, and those persons in active concert or participation with him who receive
26 actual notice of this Consent Decree by personal service or otherwise, are hereby restrained and
27 enjoined from failing to create, and thereafter to maintain for a period of three (3) years following
28 the date of their creation, unless otherwise specified:

1 A. Accounting records that reflect the cost of goods or services sold, revenues
2 generated, and the disbursement of such revenues;

3 B. Personnel records accurately reflecting the full name, address, telephone
4 number, date of birth and social security number of each person employed in any capacity by such
5 business, including as an independent contractor or purchaser for resale; that person's job title
6 or position; the date upon which the person commenced work; and the date and reason for the
7 person's termination, if applicable; provided, however, that the businesses subject to this
8 requirement shall retain such records during the employment of any person, and for a period of
9 two (2) years after the date of their termination;

10 C. Customer files containing the name, address, telephone number, dollar
11 amounts paid, quantity of goods or services purchased, and description of goods or services
12 purchased, for all consumers to whom the business has sold, invoiced or shipped any goods or
13 services;

14 D. Records that reflect, for every written or oral consumer complaint or refund
15 request received, whether directly or indirectly or through any third party:

16 (1) the customer's name, address, telephone number;
17 (2) the dollar amount paid by the consumer;
18 (3) the written complaint or refund request, if any;
19 (4) the basis of the complaint or refund request, including the name of
20 any person complained about;

21 (5) the nature and result of any investigation conducted concerning the
22 complaint or refund request;

23 (6) each response and the date of the response to the complaint or
24 refund request;

25 (7) any final resolution of the complaint or refund request, and the date
26 of the resolution; and

27 (8) in the event of a denial of a refund request, the reason for the denial;

28 and

1 E. Copies of all sales scripts, training materials, advertisements, or other
2 marketing materials utilized, which shall be retained for three (3) years after the last date of their
3 dissemination or use.

4 **COMPLIANCE MONITORING**

5 29. IT IS FURTHER ORDERED that, to ensure that compliance with the provisions
6 of this Consent Decree may be monitored by the Commission or by the United States:

7 A. Within ten (10) days of receipt of written notice from a representative of the
8 Commission or the United States, Larry Jones shall submit additional written reports, sworn to
9 under penalty of perjury; produce documents for inspection and copying; appear for deposition;
10 and/or provide entry during normal business hours to any business location in Larry Jones'
11 possession or direct or indirect control to inspect the business operation;

12 B. In addition, the Commission and the United States are authorized to monitor
13 compliance with this Consent Decree by all other lawful means, including but not limited to the
14 following:

15 (1) obtaining discovery from any person, without further leave of court,
16 using the procedures set forth in Federal Rules of Civil Procedure 26 through 37, including the
17 use of compulsory process pursuant to Federal Rule of Civil Procedure 45; and

18 (2) posing as consumers and suppliers to one or more of the following:
19 Larry Jones, Larry Jones' agents, representatives, purchasers for resale, independent contractors,
20 or any other entity managed or controlled in whole or in part by Larry Jones, without the necessity
21 of identification or prior notice.

22 C. Larry Jones shall permit representatives of the Commission or the United
23 States to interview any employer, consultant, independent contractor, purchaser for resale,
24 representative, agent, or employee who has agreed to such an interview, relating in any way to any
25 conduct subject to this Consent Decree. The person interviewed may have counsel present.

26 D. For purposes of monitoring Larry Jones' compliance with this Consent
27 Decree, representatives of the United States and the Commission are authorized to communicate
28 directly with Larry Jones.

1 E. In response to any compliance monitoring by the Commission or the United
2 States, after attempting to resolve any dispute related to that monitoring without Court action and
3 for good cause shown, Larry Jones may file a motion with this Court seeking an order including
4 one or more of the protections set forth in Federal Rule Civil Procedure 26(c).

5 30. Nothing in this Consent Decree shall limit the Commission's lawful use of
6 compulsory process, pursuant to Sections 9 and 20 of the FTC Act, 15 U.S.C. §§ 49, 57b-1, to
7 obtain any documentary material, tangible things, testimony, or information relevant to unfair or
8 deceptive acts or practices in or affecting commerce (within the meaning of 15 U.S.C. § 45(a)(1)).

9 31. IT IS FURTHER ORDERED that, for a period of five (5) years from the date of
10 entry of this Consent Decree, Larry Jones shall provide on the first day of January, March, May,
11 July, September and November a two-month itinerary showing the dates, times and locations for
12 all of his sales presentations of the Brake Guard Safety System, Advanced Braking System, Brake
13 Guard ABS, Brake Guard Safety System Heavy Duty System HD-400 or any braking system,
14 accessory, or device, or any other system, accessory, or device designed to be used in, on, or in
15 conjunction with any motor vehicle. Larry Jones shall reference DJ# 102-3054 on all of his
16 itineraries and send all itineraries to the United States by mail and facsimile transmission to the
17 following address and facsimile telephone number:

18 Director, Office of Consumer Litigation
19 U.S. Department of Justice - Civil Division
20 P.O. Box 386,
Washington, D.C. 20044
facsimile telephone number: (202) 514-8742

21 **RETENTION OF JURISDICTION**

22 32. IT IS FURTHER ORDERED that this Court shall retain jurisdiction of this matter
23 for the purposes of construction, modification, and enforcement of this Consent Decree. The
24 provisions in this Consent Decree are severable such that if a subsequent court order modifies any
25 provision for any reason, including a stipulated modification, all remaining provisions remain in
26 full force and effect.

27 **COMPLETE SETTLEMENT**

28 33. The parties, by their respective counsel, hereby consent to entry of this Consent

1 Decree which shall constitute a final judgment and order in this matter. The parties further
2 stipulate and agree that the entry of the foregoing Consent Decree shall constitute a full, complete
3 and final settlement of this action.

4
5 Dated this ____ day of _____, 2003.

6
7
8 MARSHA J. PECHMAN
United States District Judge

9
10 FOR THE UNITED STATES OF AMERICA:

11 ROBERT D. MCCALLUM, JR.
12 Assistant Attorney General
13 Civil Division
United States Department of Justice

14 JOHN MCKAY
15 United States Attorney
Western District of Washington

16 By: 
17 BRIAN KIPNIS
Assistant United States Attorney

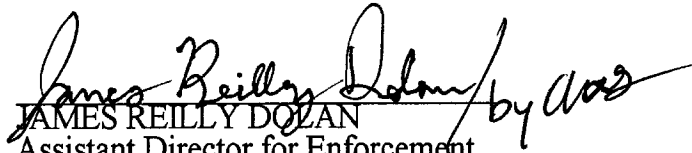
1 EUGENE M. THIROLF
2 Director
3 Office of Consumer Litigation

4 

5 ALLAN GORDUS
6 Trial Attorney
7 Office of Consumer Litigation
8 Civil Division
9 U.S. Department of Justice
10 Washington, D.C. 20530
11 (202) 307-1862

12 FOR THE FEDERAL TRADE COMMISSION:

13 ELAINE D. KOLISH
14 Associate Director for Enforcement

15 

16 JAMES REILLY DOLAN
17 Assistant Director for Enforcement
18 Division of Enforcement
19 Bureau of Consumer Protection
20 Federal Trade Commission
21 (202) 326-2533

22 FOR DEFENDANT LAWRENCE JONES:

23 

24 LAWRENCE H. JONES

25 

26 BRIAN T. RITCHIE
27 Attorney for Defendant Lawrence Jones
28 Law Offices of Brian T. Ritchie
2611 NE 113th Street
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Seattle, Washington 98125
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