# 1 STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS 2 **SECURITIES DIVISION** 3 4 IN THE MATTER OF DETERMINING SDO - 79 - 00 5 Whether there has been a violation Of the Franchise Investment Protection Act by: CONSENT ORDER 6 ERGONOMIC CONSULTING SERVICES, INC. Case No. 00-03-0070 7 d/b/a COFFEE NEWS USA; BILL BUCKLEY; their agents and employees, 8 9 Respondents. 10 THE STATE OF WASHINGTON TO: Ergonomic Consulting Services, Inc. 11 d/b/a Coffee News USA Bill Buckley 12 P.O. Box 8444 Bangor, ME 04402-8444 13 14 INTRODUCTION 15 Pursuant to the Franchise Investment Protection Act of Washington, the Securities Division of the 16 Department of Financial Institutions, as a basis for this Consent Order, makes the following Tentative Findings of 17 Fact and Conclusions of Law: 18 TENTATIVE FINDINGS OF FACT 19 I. Respondents 20 1.1 **ERGONOMIC CONSULTING SERVICES, INC.** is a Maine corporation that does business as COFFEE 21 NEWS USA. Coffee News USA maintains a business address at P.O. Box 8444, Bangor, Maine. 22 BILL BUCKLEY was the president of Ergonomic Consulting Services, Inc. at all times relevant to the 2.3 matters set forth herein. 24 CONSENT ORDER DEPARTMENT OF FINANCIAL INSTITUTIONS

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360-902-8760

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## **II.** Nature of Offering

- 2.1 In April of 2000, Bill Buckley, acting on behalf of Ergonomic Consulting Services, Inc. d/b/a Coffee News USA, offered and sold to one Washington resident an opportunity involving the right to publish and distribute a periodical using the trade name "Coffee News" in an exclusive geographic territory. Purchasers of the Coffee News USA opportunity receive revenue through the sale of advertising space in weekly editions of the Coffee News USA periodical.
- 2.2 Under an agreement entered into between Coffee News USA ("the seller") and the purchaser of the opportunity, a marketing plan is prescribed by the seller, and the seller grants a license to the purchaser to use the trade name "Coffee News" in connection with the operation of the business. Upon execution of the agreement, the purchaser agrees to pay the seller an initial fee of \$495. Purchasers are also required to pay the seller \$75 on a monthly basis, beginning on the first day of the third month following the month that the initial agreement is implemented. Purchasers are also provided with a Uniform Franchise Offering Circular, including the purchaser described above in paragraph 2.1.
- 2.3 The agreement between the seller and the purchaser also establishes specific obligations that Coffee News USA must adhere to, including but not limited to: providing the purchaser with an operations manual that describes how to distribute the Coffee News USA periodical, how to sell advertising for the periodical, and how to design the advertisements; disclosing to the purchaser "unique" marketing and sales techniques employed in the design and format of the periodical; and providing the purchaser with support services as deemed reasonable by Coffee News USA.
- 2.4 Ergonomic Consulting Services d/b/a Coffee News USA, is continuing to solicit interest in the Coffee News USA opportunity via the world wide web through their website, http://www.coffeenewsusa.com.

## **III. Registration Status**

Ergonomic Consulting Services d/b/a Coffee News USA and Bill Buckley are not currently registered to offer and sell franchises in the state of Washington and have not previously been so registered.

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Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

## CONCLUSIONS OF LAW

I.

The offer and/or sale of the program described above constitutes the offer and/or sale of a franchise as defined in RCW 19.100.010(16) and RCW 19.100.010(4).

II.

The offer and/or sale of said franchises is in violation of RCW 19.100.020 because no registration or notification of claim of exemption for such offer and/or sale is on file with the Securities Administrator of the State of Washington.

#### ORDER AND CONSENT

The Securities Division, Ergonomic Consulting Services, Inc. d/b/a Coffee News USA and Bill Buckley have agreed upon a basis for resolution of the matters alleged and concluded herein. Ergonomic Consulting Services, Inc. d/b/a Coffee News USA and Bill Buckley agree to the entry of the Consent Order pursuant to the Franchise Investment Protection Act of Washington without admitting or denying the Securities Division's Tentative Findings of Facts and Conclusions of Law. Ergonomic Consulting Services, Inc. d/b/a Coffee News USA and Bill Buckley acknowledge to the Securities Division's jurisdiction over this matter and its authority to enter this order.

Based upon the foregoing:

IT IS THEREFORE AGREED AND ORDERED that Ergonomic Consulting Services, Inc. d/b/a Coffee News USA, Bill Buckley, and their agents and employees, each shall refrain from the offer and sale of unregistered franchises in the State of Washington in violation of RCW 19.100.020.

IT IS THEREFORE AGREED AND ORDERED that Ergonomic Consulting Services, Inc. d/b/a Coffee News USA and Bill Buckley must inform any of their current Washington franchisees of the existence and contents of this Order within 30 days of the entry of the Order.

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1	THIS ORDER ENTERED THIS 22nd DAY OF September, 2000 BY:
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3	Deboul R Borner
4	DEBORAH R. BORTNER
5	Securities Administrator
6	Approved for entry by:
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8	Michael E. Stevenson Chief of Compliance
9	Presented by:
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11	Chad Standifer Staff Attorney
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CONSENT ORDER

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