

**IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO**

STATE OF OHIO, <i>ex rel.</i>	:	
MICHAEL DEWINE	:	CASE NO. 13 CV 002864
ATTORNEY GENERAL OF OHIO	:	
	:	JUDGE GUY L. REECE II
Plaintiff,	:	
	:	MAGISTRATE EDWIN SKEENS
v.	:	
	:	
BEE IMPROVEMENTS, LLC	:	
	:	
and	:	
	:	
GLEN E. GODDARD JR.	:	
	:	
Defendants.	:	

**ENTRY AND ORDER ADOPTING MAGISTRATE'S DECISION ON CONSUMER
DAMAGES AND CIVIL PENALTIES**

Reece, Judge.

This cause came to be heard upon Plaintiff State of Ohio's Motion for Default Judgment against Defendant Bee Improvements, LLC, and its owner, Glen E. Goddard Jr. ("Defendants") pursuant to Civ. R. 55(A). In this Court's Default Judgment Entry and Order Against Defendants Bee Improvements, LLC and Glen E. Goddard Jr. ("Default Judgment Entry"), entered on July 31, 2013, the Court entered default judgment against Defendants and awarded declaratory and injunctive relief. The Court found that the Defendants were liable for consumer restitution and civil penalties in amounts to be determined at a later date. In the Default Judgment Entry, the Court made the following Findings of Fact:

- I. Defendant Bee Improvements, LLC ("Bee Improvements") is an Ohio-registered limited liability company with its principal place of business located at 4200 Regent St., Suite 200, Columbus, Ohio 43219.

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2. According to its contracts, Bee Improvements also operated from 7548 Slate Ridge Blvd., Reynoldsburg, Ohio 43068.
3. Defendant Glen E. Goddard Jr. ("Goddard") is a resident of the State of Ohio and is the owner, officer, and operator of Bee Improvements.
4. Defendants were engaged in the business of soliciting, offering, and selling home improvement services, including basement remodeling services, in the State of Ohio, including in Franklin County.
5. Defendants solicited, offered, and sold their home improvement services through the websites www.beeimprovements.org and direct mail solicitations.
6. Defendants entered into contracts with consumers for the purchase of home improvement services, including basement remodeling services.
7. Defendants knowingly made false or misleading statements of opinion on which consumers relied to their detriment.
8. Consumers contracted with Defendants for basement remodeling and other home improvement services and provided substantial payments to Defendants for such services.
9. Defendants accepted substantial payments from consumers as payments for the purchase of basement remodeling and other home improvement services.
10. Many consumers entered into home improvement loans to pay for the services they contracted for. These consumers have continued to make payments on the loans despite the fact the work has not been done.
11. Defendants failed to provide consumers with the basement remodeling and other home improvement services contracted and paid for, even after eight weeks had elapsed since

Defendants accepted money from the consumers as payment for the goods and services ordered.

12. Defendants failed to refund consumers' payments for ordered basement remodeling and other home improvement services, even after eight weeks had elapsed without Defendants fully providing such goods and services ordered.
13. Defendants provided shoddy and unworkmanlike services to consumers and then failed to correct such services.
14. Defendants' failure to perform contracted basement remodeling and other home improvement services in a proper manner has resulted in harm to consumers and in some instances has required that consumers pay additional money to have the Defendants' work corrected and/or to complete the construction begun by Defendants.
15. Defendants promised or represented to consumers that Defendants would provide the ordered basement remodeling and home improvement services in a satisfactory standard and quality, but then failed to provide such services in such standard or quality.
16. Defendants engaged in a pattern of incompetence, inefficiency, and untimeliness in connection with providing basement remodeling and other home improvement services to consumers by repeatedly delaying the start of work, promising consumers another time in which the work would commence, and then failing to start work at such promised time without advising consumers of the additional delays.
17. Defendants have failed to pay the subcontractors they hired and the subcontractors have threatened the consumers with placing liens on their homes.
18. Defendants failed to begin and/or complete the services for which consumers contracted.

19. Defendants provided consumers with inconsistent and inadequate information regarding installation and service dates.
20. Defendants failed to provide consumers with additional goods provided for in the home improvement contracts, including sofas and flat screen televisions.

Furthermore, in the Default Judgment Entry, the Court made the following Conclusions of Law:

21. The Court has jurisdiction over the subject matter, issues, and parties to this action and venue is proper.
22. The business practices of Defendants as described herein and in Plaintiff's Complaint are in governed by the Ohio Consumer Sales Practices Act (CSPA), R.C. 1345.01 et seq.
23. The Ohio Attorney General Michael DeWine, acting on behalf of the citizens of Ohio and in the best interest of this state, is the proper party to commence this action under the authority of the CSPA, R.C. 1345.07, and by virtue of his authority to protect the interests of the citizens of the State of Ohio.
24. Defendants are "suppliers," as defined in R.C. 1345.01(C), as Defendants are, and have been, at all times relevant herein, engaged in the business of effecting consumer transactions by soliciting, offering, and selling home improvement services, specifically basement remodeling services, to individuals in Franklin County and other counties in the State of Ohio for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A) and (D).
25. Defendant Goddard, at all relevant times, possessed the authority to set policies and procedures for Defendant Bee Improvements, LLC, has dominated, controlled, and

directed the business activities and sales conduct of Defendant Bee Improvements, LLC, and has committed, allowed, caused, directed, participated in, and/or ratified the unlawful acts and practices committed by Defendant Bee Improvements, LLC.

26. Defendants have committed unfair and deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A) and the Ohio Admin. Code 109:4-3-09(A), by accepting substantial payments from consumers, promising a delivery date for basement remodeling and other home improvement services, failing to deliver the goods and services contracted and paid for, and failing to return the payments to the consumers.
27. Defendants have committed unfair and deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by providing shoddy and unworkmanlike services in connection with consumer transactions and then failing to correct such shoddy and unworkmanlike services.
28. Defendants have committed unfair and deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A) and R.C. 1345.02(B)(2), by misrepresenting the standard and quality of their basement remodeling and other home improvement services, in connection with consumer transactions.
29. Defendants have committed unfair and deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by engaging in a pattern of incompetence, inefficiency, and untimeliness in connection with consumer transactions for basement remodeling and other home improvement services.
30. Defendants have committed unconscionable acts or practices in violation of the CSPA, R.C. 1345.03(A), as set forth in R.C. 1345.03(B)(3), by entering into consumer transactions for basement remodeling and other home improvement services when

Defendants knew of the inability of the consumer to receive a substantial benefit from the subject of the consumer transaction.

31. Defendants have committed unconscionable acts or practices in violation of the CSPA, R.C. 1345.03(A), as set forth in R.C. 1345.03(B)(6), by making false or misleading statements of opinion on which consumers have relied to their detriment, in connection with consumer transactions.
32. Defendants have committed unconscionable acts or practices in violation of the CSPA, R.C. 1345.03(A), by refusing to make a refund without justification.
33. Defendants have committed unfair, deceptive, and unconscionable acts or practices in violation of the CSPA, R.C. 1345.02(A) and R.C. 1345.03(A), by engaging in inadequate and unfair customer services.

On August 20, 2013, this Court referred the matter to the Magistrate for a damages hearing to be held on September 26, 2013. The Default Judgment Entry provided that the purpose of the damages hearing was to determine (1) the amount of consumer restitution to which the Plaintiff is entitled and (2) the amount of civil penalties to which the Plaintiff is entitled.

On September 19, 2013, Plaintiff filed a Memorandum in Support of Damages and Other Requested Relief ("Damages Memo"), in which Plaintiff submitted as evidence the affidavits of twelve consumers. Defendants failed to submit any evidence.

On September 26, 2013, Magistrate Skeens issued a Magistrate's Decision on Damages ("Magistrate's Decision") which found the Defendants liable for consumer damages in the amount of Seventy-two Thousand, Eighty-four Dollars and Two Cents (\$72,084.02) to be paid to

the Plaintiff and distributed to the twelve consumers identified in the Magistrate's Decision. Specifically, the Magistrate awarded consumer restitution as follows:

	Last Name	First Name	Amount
1	Chapman	Casey	\$1,854.00
2	Crescenzi	Lyndsey	\$2,397.44
3	Green	Brenda	\$4,024.20
4	Hosler	David	\$2,000.00
5	Kostka	Chad	\$8,943.00
6	Martin	William	\$4,355.00
7	Northcutt	Trenton	\$14,865.55
8	Price	Aaron	\$1,117.00
9	Reeves	Chara	\$3,530.28
10	Seaman	Lori	\$7,290.00
11	Thomas	Michele	\$3,081.34
12	Yurasek	Jessica	\$18,626.21
			\$72,084.02

The Magistrate's Decision further assessed a civil penalty against the Defendants to be paid to the Plaintiff in the amount of One Hundred Thousand Dollars (\$100,000.00).

Pursuant to Civ. R. 53(D)(3), the time for objecting to the Magistrate's Decision has passed and the Defendant has failed to file objections to the Magistrate's Decision. Therefore, this Court hereby **ADOPTS** the Magistrate's Decision filed on September 26, 2013.

The Court further finds that Defendants are liable for all costs associated with bringing this action.

IT IS SO ORDERED.

DATE

JUDGE GUY L. REECE II

Submitted By:
MICHAEL DEWINE
Attorney General

/s/ Teresa A. Heffernan

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Franklin County Court of Common Pleas

Date: 10-11-2013
Case Title: OHIO STATE ATTORNEY GENERAL MICHAEL DEWI -VS- BEE
IMPROVEMENTS LLC ET AL
Case Number: 13CV002864
Type: ORDER

It Is So Ordered.

A handwritten signature in black ink, appearing to read "G. L. Reece, II", is written over a circular, faded seal of the Franklin County Court of Common Pleas. The signature is fluid and includes a long horizontal stroke extending to the right.

/s/ Judge Guy L. Reece, II