

IN THE COURT OF COMMON PLEAS
WARREN COUNTY, OHIO

COMMON PLEAS COURT
WARREN COUNTY OHIO
FILED

15 APR 14 AM 11:40

CLERK OF COURTS

STATE OF OHIO ex rel. ATTORNEY
GENERAL MICHAEL DEWINE

Plaintiff,

v.

MOLD FOUNDATION SPECIALIST,
LLC, et al.

Defendants.

Case No. 14 CV 86598

Judge Peeler

RECEIVED
ATTORNEY GENERAL OF OHIO

MAY 27 2015

CONSUMER PROTECTION SECTION
PUBLIC INSPECTION FILE

**FINAL ENTRY AND ORDER AGAINST DEFENDANTS MOLD FOUNDATION
SPECIALIST, LLC AND SCOTT STIDHAM**

On February 11, 2015, this Court granted Plaintiff's Motion for Default Judgment that included finding of facts, conclusions of law, and orders. The Court hereby restates and incorporates those rulings along with the additional relief included in this Order.

FINDING OF FACTS

1. Defendant Stidham is an individual doing business in Ohio as Mold Foundation Specialist and has a principle place of business at 2287 Hibiscus Drive, Loveland, Ohio 45140.
2. Defendant Mold Foundation Specialist, LLC is a Nevada corporation registered to do business with the Ohio Secretary of State.
3. Defendant Stidham directed and controlled all business activities of Mold Foundation Specialist LLC, including the solicitation for sale and sale of home improvement services.

4. Defendant Stidham controlled and directed the business activities and sales conduct of Mold Foundation Specialist LLC, causing, personally participating in, or ratifying the acts and practices of Mold Foundation Specialist LLC.
5. Defendants solicited consumers and accepted payments for the repair or construction of various home improvement services within multiple counties in Ohio, including Warren County.
6. Defendants solicited and sold home improvement goods and services at the residences of buyers.
7. Defendants advertised their services via their website www.moldfoundationspecialist.com.
8. Defendants' website included claims that they have failed to substantiate.
9. The Defendants' website stated that they were "EPA Registered – Pet and Child Friendly Solutions" and "Certified Mold Technician."
10. The Defendants' website previously stated that they were a "Certified Water Damage Specialist."
11. On September 19, 2014, the Attorney General issued a Request for Substantiation pursuant to O.A.C. 109:4-3-10 to Defendants regarding their advertising claims and Defendants failed to provide substantiating information.
12. Defendants do not have a retail business establishment having a fixed **permanent** location where the goods are exhibited or the services are offered for sale on a continuing basis.
13. Defendants did not notify consumers of their cancellation rights nor did they provide consumers with a notice of cancellation.

14. Defendants accepted monetary deposits from consumers for the purchase of home improvement goods and services and failed to deliver those goods and services and have refused to refund consumers' deposits or payments.
15. Defendants performed substandard and shoddy work in providing home improvement services.
16. After receiving payment, Defendants would sometimes begin to provide home improvement services, but often failed to complete the work.
17. Defendants' failure to perform contracted home improvement services in a proper manner has resulted in harm to consumers and required the consumers to pay additional money to have the Defendants' work corrected and/or to complete the work the Defendants were supposed to do.
18. Defendants operated their business and continued to solicit consumers and engage in consumer transactions in Ohio as suppliers while there were one or more unpaid Ohio civil judgments against them which arose from prior consumer transactions.

CONCLUSIONS OF LAW

1. This Court has personal jurisdiction over the Defendants pursuant to R.C. 2307.382 because this cause of action arises from the Defendants' business transactions with residents of Ohio.
2. This Court has subject matter jurisdiction over this action pursuant to R.C. 1345.04 because the claims in this Complaint arise from consumer transactions subject to R.C. 1345.01 et seq.

3. Venue is proper with this Court, pursuant to Ohio Civ. R. 3(B)(3) because Warren County, Ohio, is a county in which the Defendants conducted activity that gave rise to the State's claim for relief.
4. Defendants are "suppliers," as that term is defined in R.C. 1345.01(C), as they engaged in the business of effecting "consumer transactions" by soliciting consumers for the repair, construction, assembly and/or installation of various home improvement products for a fee, within the meaning of R.C. 1345.01(A).
5. Defendants are "sellers" engaged in the business of effecting home solicitation sales by soliciting and selling home improvements to "buyers" at the buyers' personal residences in the State of Ohio, Warren County and various other counties, for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.21(A) and (E).
6. Defendants committed unfair and deceptive acts and practices in violation of the Failure to Deliver Rule, O.A.C. 109:4-3-09(A), and the Consumer Sales Practices Act ("CSPA"), R.C. 1345.02(A), by accepting money from consumers for goods or services and then permitting eight weeks to elapse without making shipment or delivery of the goods or services ordered, making a full refund, advising the consumer of the duration of an extended delay and offering to send a refund within two weeks if so requested, or furnishing similar goods or services of equal or greater value as a good faith substitute
7. Defendants committed unfair and deceptive acts and practices in violation of the CSPA, R.C. 1345.02(A), by performing substandard work and then failing to correct such work.

8. Defendants committed unfair and deceptive acts and practices in violation of the CSPA, R.C. 1345.02(A), by engaging in consumer transactions in Ohio as suppliers while one or more unpaid civil judgments against the Defendants remain unpaid.
9. Defendants committed unfair and deceptive acts and practices in violation of the Substantiation of Claims in Advertising Rule, O.A.C. 109:4-3-10(B), and the CSPA, R.C. 1345.02(A), by failing, upon the written request of the Attorney General or his representative, to produce within a reasonable time period specified, written substantiating documentation, tests, studies, reports, or other data in the possession of the supplier at or prior to the time that representations, claims, or assertions are made about the supplier or the supplier's goods or services.
10. Defendants committed unfair and deceptive acts and practices by violating the Home Solicitation Sales Act ("HSSA"), R.C. 1345.23(B), by failing to give proper notice to consumers of their right to cancel their contract by a specific date and by failing to give consumers a cancellation form.
11. The acts and practices described above have been previously determined by Ohio courts to violate the CSPA. Defendants committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(B)(2).

ORDER

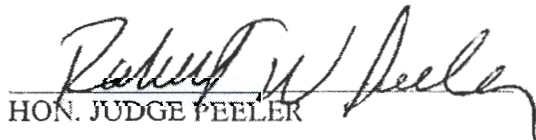
It is therefore **ORDERED, ADJUDGED, AND DECREED** that:

1. Plaintiff's request for a Declaratory Judgment is hereby granted as Defendants' violations of the CSPA and HSSA occurred as described in the Complaint and in this Order.
2. Defendants, under their own name, "Mold Foundation Specialist" or any others, and all persons acting on behalf of them, directly or indirectly, through any corporate or private

device, partnership or association, are permanently enjoined from engaging in the acts and practices found by this Court to violate the CSPA and HSSA, and from further violating the CSPA and HSSA.

3. Defendants are permanently enjoined from acting or serving as a Supplier in the home improvement business and from soliciting or engaging in any home improvement or mold remediation consumer transactions in the State of Ohio as a Supplier until the final ordered resolution of this matter is satisfied in its entirety.
4. Defendants shall maintain in their possession and control for a period of five years, and in a manner designed to secure the privacy of all consumers' personal information, all business records relating to Defendants' solicitation and sale of home improvement services in Ohio.
5. Defendants are jointly and severally liable for consumer restitution in the amount of \$28,490 to be paid to and distributed by the Ohio Attorney General's Office to the consumers identified in Attachment A.
6. Defendants are, jointly and severally, assessed a \$25,000 civil penalty pursuant to R.C. 1345.07.
7. Defendants shall pay all court costs associated with this matter.

IT IS SO ORDERED.


HON. JUDGE FEELER

Prepared by:

/S/ Eric M. Gooding

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Counsel for Plaintiff;

and

MOLD FOUNDATION SPECIALIST, LLC
c/o Scott Stidham
2287 Hibiscus Drive
Loveland, Ohio 45140

and

SCOTT STIDHAM, individually,
and d.b.a. Mold Foundation Specialists
2287 Hibiscus Drive
Loveland, Ohio 45140

Attachment A

Last Name	First Name	Address	City	State	Zip	Amount
Beckett	Jesse	134 Ittawanda Drive	Sardinia	OH	45171	\$4,000
Kohus	Viviana	6232 Salem Rd	Cincinnati	OH	45230	\$7,990
Kubicki	Brian	9853 Whippoorwill Lane	Mason	OH	45040	\$2,000
Plunkett	Michelle	5276 Terrace Ridge Dr	Milford	OH	45150	\$400
Rohrig	Joseph	3830 Turtlecreek rd	Lebanon	OH	45036	\$14,100