

STATE OF OHIO
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION SECTION

IN THE MATTER OF:)
)
NATON SHOEMAKE d/b/a) DOCKET NO. 589793
DISCOUNTED DEALS)
934 Kenwick Rd., Apt. A)
Columbus, OH 43209)

ASSURANCE OF VOLUNTARY COMPLIANCE

(WTE) This Assurance of Voluntary Compliance ("Assurance") is entered into this 3rd day of September, 2021, by Dave Yost, Attorney General of the State of Ohio ("Attorney General"), and Naton Shoemake d/b/a Discounted Deals Inc. ("Supplier"). For purposes of this Assurance, "Supplier" means Naton Shoemake, personally and individually, and as the owner/operator of the online seller entity known as Discounted Deals Inc., as well as his officers, partners, managers, successors or assigns and all persons acting in concert or participation with him, directly or indirectly, through any corporate device, partnership, association or affiliation.

WHEREAS, the Attorney General, having reasonable cause to believe that Supplier has engaged in acts and practices which violate the Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 *et seq.*, and the Valentine Act, Ohio's antitrust law, R.C. 1331.01 *et seq.*, and having authority to investigate Supplier pursuant to R.C. 1345.06, R.C. 1331.16, and the common law of the State of Ohio, has conducted an investigation pursuant to the authority granted him, and;

WHEREAS, the Attorney General may, pursuant to R.C. 1345.06(F), terminate an investigation upon the acceptance of an Assurance of Voluntary Compliance, and;

WHEREAS, Supplier voluntarily enters into this Assurance with the Attorney General as he intends and desires to comply with all aspects of consumer law, including but not limited to,

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the provisions of the CSPA, its substantive rules under Chapter 109:4-3 of the Ohio Administrative Code ("Substantive Rules"), and the provisions of the Valentine Act, R.C. 1331.01, *et seq.*

NOW THEREFORE, in consideration of the mutual promises and conditions set forth herein, the parties hereto **AGREE** as follows:

1. The "Effective Date" shall mean the date indicated on the first page of this Assurance.
2. By accepting this written Assurance, the Attorney General agrees to terminate the current investigation of Supplier and his business practices and actions occurring on or before the Effective Date of this Assurance.
3. By giving this written Assurance, Supplier agrees to comply with all terms of this Assurance and to conduct business in compliance with all applicable Ohio laws, including without limitation, the CSPA and its Substantive Rules and the Valentine Act.

BACKGROUND AND STATEMENT OF FACTS

4. Naton Shoemake, doing business as Discounted Deals Inc., operates an online business in which he from time to time acquires a variety of products and resells those products to the general public via online platforms like Amazon and eBay. The business operates out of Naton Shoemake's residence and does not have a store front or warehouse location.
5. At all times relevant to this Assurance, Naton Shoemake was the only owner and operator of Discounted Deals Inc.
6. Naton Shoemake is a "supplier" as that term is defined in R.C. 1345.01(C) as he has been, at all times relevant herein, engaged in the business of effecting consumer transactions by offering for sale and selling products to individuals in the State of Ohio for purposes that were primarily personal, family or household within the meaning specified in R.C. 1345.01(A).

7. In early 2020, COVID-19, a highly communicable and dangerous contagion, arrived in the United States and began to spread.
8. On February 29, 2020, the United States reported its first death from COVID-19 in Washington state.
9. In the face of these developments, Ohioans and people across the nation became increasingly frightened.
10. This fear prompted many citizens to bolster their personal supplies of products they believed might be needed and/or in short supply if the crisis continued to worsen to pandemic levels. Those pandemic-related products included disinfecting wipes, hand sanitizers, and respirator masks (collectively "PPE Products").
11. Supplier purchased large amounts of PPE Products from retailers with the intention to resell them online via Amazon and eBay.
12. In the aggregate, mass purchases of these items by Supplier and others who sought to resell necessary pandemic-related products led to a shortage of the products, driving up demand.
13. Between January 27, 2020 and March 25, 2020, Supplier purchased and resold approximately 1,813 PPE Products online at prices that in some instances resulted in gross margins and markups in excess of 80% and 500%, respectively.
14. Supplier committed unfair, deceptive, and unconscionable acts and practices in violation of R.C. 1345.02 and R.C. 1345.03 by selling PPE Products at substantially increased prices during the national health crisis.
15. Supplier committed unconscionable acts and practices in violation of R.C. 1345.03(A), as set forth in R.C. 1345.03(B)(5), by requiring consumers to enter into transactions which Supplier knew were substantially one-sided in his favor.

16. Supplier committed and carried out unreasonable restrictions in trade and commerce and increased the price of merchandise in violation of R.C. 1331.01(C) and R.C. 1331.04, by acquiring and artificially manipulating the available supplies of PPE Products and combining with and utilizing an online platform to offer them for sale at artificially inflated anticompetitive levels during a national health crisis.

COMPLIANCE PROVISIONS

17. Supplier shall not violate the CSPA or its Substantive Rules and specifically shall not engage in unfair, deceptive or unconscionable acts or practices under R.C. 1345.02 or R.C. 1345.03, by inflating the price of goods during times of widespread fear and panic.
18. Supplier shall not violate the Valentine Act and specifically shall not create and carry out unreasonable restrictions in trade or commerce and/or prevent competition in the sale or purchase of merchandise under R.C. 1331.01 and R.C. 1331.04, by removing goods from the stream of commerce for purposes of reselling at anticompetitive levels during times of widespread fear and panic.

TERMINATION OF INVESTIGATION

19. As part of the consideration for this Assurance, the Attorney General agrees to terminate the current investigation of Supplier's business practices for actions occurring on or before the Effective Date of this Assurance.

GENERAL PROVISIONS

20. This Assurance shall be governed by the laws of the State of Ohio.
21. Supplier understands and agrees that this Assurance applies to any related owners, agents, representatives, employees, independent contractors, successors and assigns, and all

persons acting in concert or participation with him, directly or indirectly, through any corporate device, partnership, association, or affiliation.

22. Supplier shall negotiate in good faith, through the Office of the Attorney General, any consumer complaints filed with it regarding Supplier's conduct occurring prior to the Effective Date of this Assurance, including complaints filed by consumers known at this time or discovered after entering into this Assurance.
23. This Assurance is entered into on behalf of Supplier of his own free and voluntary act and with full knowledge and understanding of the nature of the proceedings and the obligations and duties imposed by this Assurance.
24. This Assurance does not constitute an approval by the Attorney General of any of Supplier's business practices, and Supplier shall not represent directly or indirectly, or in any way whatsoever, that the Attorney General has sanctioned, condoned or approved any part or aspect of Supplier's business practices.
25. This Assurance sets forth the entire agreement between the Attorney General and Supplier and supersedes any and all prior agreements or understandings, whether written or oral, between the parties and/or their respective counsel regarding the subject matter hereof. This Assurance may be amended by written agreement of the parties, subject to any further requirements under state law.
26. The Parties acknowledge that this Assurance constitutes a single and entire agreement that is not severable or divisible, except that if any provision herein is found to be legally insufficient or unenforceable, the remaining provisions shall continue in full force and effect.

27. This Assurance shall in no way exempt Supplier from any other obligation imposed by law, and nothing contained herein shall relieve Supplier of any legal responsibility for any acts or practices he engaged in other than those specifically addressed by this Assurance.
28. Nothing in this Assurance shall in any way preclude the Attorney General from commencing any future investigative or enforcement action(s) against Supplier under any legal authority granted to the Attorney General:
 - a. with respect to the transactions which are the subject of this enforcement action if the terms of this Assurance are not fully met; or
 - b. with respect to transactions or occurrences which are not the subject of this Assurance.
29. This Assurance constitutes a public record and shall be placed in the Public Inspection File pursuant to R.C. 1345.05(A)(3).

PAYMENT TO THE STATE

30. As part of the consideration for the termination of this investigation, Supplier shall, on or before September 10, 2021, pay Two Thousand Five Hundred Dollars (\$2,500.00) to the Attorney General as reimbursement for investigative and administrative costs associated with this matter. This payment shall be placed in the Ohio Attorney General's Consumer Protection Enforcement Fund, for use by the Attorney General as provided in R.C. 1345.51.
31. This payment shall be made by delivering a certified check or money order, made payable to the "Ohio Attorney General's Office" and containing "Docket 589793" in the memo line, to:

Financial Specialist
Consumer Protection Section
30 E. Broad St., 14th fl.
Columbus, OH 43215

32. Supplier is hereby notified that if he fails to timely make the payment set forth in paragraph 30 above that the unpaid amount may be referred to the Ohio Attorney General's Collection Enforcement Section for collection. Should the unpaid amount be referred for collection, the Collections Enforcement Section will assess additional collection fees and interest against Sanderson, pursuant to Ohio law, including, but not limited to R.C. 131.02, 109.08, and 109.081.

PENALTIES FOR FAILURE TO COMPLY

33. The Attorney General may assert any claim that Supplier has violated this Assurance in a separate civil action to enforce the terms of this Assurance against Supplier, or to seek any other relief afforded by law, including any and all remedies available to the Attorney General under R.C. 1331.01, et seq., and R.C. 1345.07.
34. Supplier acknowledges and agrees that he will not, in any action filed by the Attorney General after any violation of this Assurance by Supplier, raise any applicable time-related or statute of limitation defense, either in law or equity, relating to his activities in connection with the current Attorney General investigation, except for any cause of action already barred as of the Effective Date, which shall remain barred, unless otherwise preserved.
35. Pursuant to R.C. 1345.06(F), this Assurance is not, and shall not be construed as, evidence of any violation by Supplier of the CSPA and its Substantive Rules or the Valentine Act. Evidence of a violation of an Assurance of Voluntary Compliance, though, is prima-facie

evidence of an act or practice in violation of the CSPA, if presented after the violation in an action brought under the CSPA.

WHEREFORE, the parties hereto affix their signatures in recognition and acceptance of the terms contained herein and warrant and represent that by affixing their signatures below they have the legal right to do so.

SIGNATURES

Accepted:

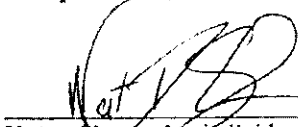
**DAVE YOST
OHIO ATTORNEY GENERAL**

By: 

Date: 9/3/2021

W. Travis Garrison (0076757)
Assistant Attorney General
30 East Broad Street, 14th Floor
Columbus, Ohio 43215-3400
Phone: (614) 728-1172
Travis.Garrison@OhioAGO.gov

Accepted:



Naton Shogmake, individually
and d/b/a Discounted Deals Inc.

Date: 8/30/2021