

IN THE COURT OF COMMON PLEAS
DELAWARE COUNTY, OHIO

STATE OF OHIO, ex rel.
DAVE YOST
ATTORNEY GENERAL OF OHIO,

Plaintiff,

v.

WILLIAM D. TAYLOR SR. INC.
dba OG10KTech, et al.,

Defendants.

CASE NO. 22 CVH 060319

Judge Schuck

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ATTORNEY GENERAL OF OHIO

OCT 04 2023

CONSUMER PROTECTION SECTION
PUBLIC INSPECTION FILE

**JUDGMENT ENTRY GRANTING SUMMARY JUDGMENT AGAINST
DEFENDANT WILLIAM D. TAYLOR SR.**

This matter came to be heard upon the Motion of Plaintiff, State of Ohio, filed on May 22, 2023 ("Plaintiff's Motion"), seeking an order, pursuant to Civ. R. 56, for summary judgment against Defendant William D. Taylor Sr. ("Taylor") as to liability only on all counts set forth in its Complaint with the amount of consumer damages and civil penalties to be separately briefed after judgment on liability. Plaintiff further requested that it be permitted to present affidavit testimony instead of live testimony to prove consumer damages.

In response, Defendant Taylor filed a motion to deny summary judgment ("Taylor's motion") on June 5, 2023. In his motion, Defendant failed to deny any of the allegations in Plaintiff's Motion. Even construing the evidence most strongly in his favor, the Court finds, as a matter of law, that there is no genuine issue as to any material fact and that Plaintiff is entitled to Summary Judgment against Defendant Taylor for the reasons set forth below.

I. INTRODUCTION

Plaintiff filed this action against Defendants William D. Taylor Sr. Inc dba OG10KTech ("OG10K") and William D. Taylor Sr. ("Taylor") alleging that they committed numerous

violations of Ohio's consumer protection laws and sought certain declaratory and injunctive relief, consumer damages, civil penalties, and the costs of bringing this action. Defendant OG10K did not file an answer and Plaintiff obtained default judgment against OG10K.

Defendant Taylor filed a pro se answer. Taylor admitted in his answer that he is the sole shareholder of OG10K and that Defendants William D. Taylor Sr. and William D. Taylor Sr. Inc. are, "in all essence, the same entities." Taylor, via his business OG10K, sold consumer goods and services, specifically personal computers ("PCs") and PC parts and, in 2020 and 2021, was advertising for sale hard to find graphic processing units ("GPU's") via his OG10K website. The PCs and PC parts, including GPUs, advertised for sale could be used for personal gaming and/or mining crypto currency. Consumers purchased products from OG10K for their own personal use and were required to pay for the products in full at the time of placing their orders. OG10K never provided consumers with the products that they purchased or refunds of the monies they paid.

II. STANDARD OF REVIEW

Summary judgment is proper pursuant to Civ. R. 56 when, (1) no genuine issue as to any material fact remains to be litigated; (2) the moving party is entitled to judgment as a matter of law; and (3) it appears from the evidence that reasonable minds can come but to one conclusion and viewing such evidence most strongly in favor of the party against whom the motion for summary judgment is made, that conclusion is adverse to that party. *State ex rel. Howard v. Ferreri*, 70 Ohio St.3d 587; 589 (1994); *Miller v. Bike Athletic Co.*, 80 Ohio St.3d 607, 617 (1998); *Norris v. Ohio Std. Oil Co.*, 70 Ohio St.2d 1, 2 (1982); *Temple v. Wean United, Inc.*, 50 Ohio St.2d 317, 327 (1977).

III. LAW AND ANALYSIS

The CSPA mandates that "[n]o supplier shall commit an unfair or deceptive act or practice

in connection with a consumer transaction.” R.C. 1345.02(A). The CSPA then grants the attorney general the right to conduct investigations and to bring actions to enforce its provisions, including those that are the subject of Plaintiff’s Complaint. R.C. 1345.06 and R.C. 1345.07. In addition, R.C. 1345.07(B) grants a court the authority to order a supplier to reimburse consumers damaged by a supplier’s violations of the CSPA. R.C. 1345.07(D) further authorizes a court, at the request of the attorney general, to assess and impose civil penalties against a supplier for the same.

Taylor does not deny the allegations in Plaintiff’s motion for summary judgment. Instead, he claimed, without providing any supporting evidence, that facts remain in dispute. Based on the unrefuted evidence produced by Plaintiff, there can be no dispute that defendant Taylor is a “supplier” engaged in “consumer transactions” as defined by the CSPA. *See* R.C. 1345.01(B) and R.C. 1345.01(C). There also can be no dispute that defendant Taylor committed the violations of the CSPA alleged in Plaintiff’s Complaint and can be held personally liable.

A. Taylor is individually liable for his own acts as owner of OG10K.

Taylor can be held personally liable for violating the CSPA. Ohio has long held corporate officers, like Taylor, individually liable for the illegal acts of the company if the officers take part in the commission of the act, specifically direct the act to be done, or participate or cooperate in the act. *Fisher v. Warren Star Theater, Inc.*, 84 Ohio App. 3d 435, 443 (11th Dist. 1992); *Young v. Featherstone Motors, Inc.*, 97 Ohio App. 158, 171 (10th Dist. 1954); *Quality Carpet Co. v. Brown*, 6 O.O. 3d 185, 188 (Franklin C.P. 1977).

Taylor’s communications with consumers in person and on social media created a false impression in the minds of reasonable consumers that Taylor was selling products he possessed or had access to which would be shipped to consumers in a timely manner. Consumers relied on these statements when deciding to purchase from Taylor. Plaintiff has proven that Taylor personally

committed the acts and practices that were in violation of the CSPA and is personally liable for the CSPA violations.

B. Taylor is liable for the actions of OG10K.

The Court has already found that OG10K has violated the CSPA. Taylor can be held liable for the actions of OG10K because OG10K was merely the alter ego of Taylor. Taylor has admitted as such.

Plaintiff has established that OG10K had no separate mind, will or existence of its own, that Taylor's control over OG10K was exercised in such a manner as to commit fraud or an illegal act, and that injury or unjust loss resulted from such control. *Belvedere Condominium Unit Owners' Ass'n v. R.E Roark Cos.*, 67 Ohio St. 3d 274 (1993) Taylor admitted in his answer that he is the sole shareholder of OG10K. Only Taylor's name is attached to the OG10K financial accounts. Numerous consumers swore in their affidavits that they believed that OG10K was actually Taylor.

Next, Taylor's control over OG10K allowed him and the corporation to violate the CSPA. Taylor provided no evidence that the corporate identity of OG10K was observed or even existed. Taylor diverted corporate funds to other non-corporate accounts that he controls and he alone owned and operated OG10K. Taylor's control over OG10K was exercised in such a manner as to commit the CSPA violations.

Finally, harm was caused to consumers as a result of Taylor's actions. At least 168 consumers who filed complaints suffered damages totaling over \$229,000.00 because of Taylor's complete control of OG10K and its finances. Instead of segregating the purchase monies received from consumers so that refunds could be made when requested, Taylor diverted nearly one million

dollars of OG10K funds from the OG10K business account to accounts for Taylor or people associated with Taylor.

As Taylor personally committed the acts and practices that violate the CSPA and as OG10K is merely the alter ego of Taylor, he is personally liable for the CSPA violations committed by himself and OG10K.

C. Taylor is liable for the undisputed facts.

The Plaintiff's motion for summary judgment shows:

1. The undisputed facts demonstrate that defendant Taylor engaged in deceptive acts or practices in violation of the Failure to Deliver Rule, O.A.C. 109:4-3-09(A), and the CSPA, R.C. 1345.02(A), by accepting money from consumers for PC parts, specifically GPU's, and then permitting eight weeks to elapse without delivering the promised goods or services or issuing a full refund.

2. The undisputed facts demonstrate that defendant Taylor committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by misrepresenting his access to and ability to obtain and deliver hard-to-obtain products.

3. The undisputed facts demonstrate that defendant Taylor committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by selling merchandise on the OG10K website which he neither possessed nor could deliver.

4. The undisputed facts demonstrate that defendant Taylor committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by failing to observe his duty, as the sole owner of OG10K, to segregate purchase monies, resulting in the unavailability of funds to make consumers' requested refunds.

5. The undisputed facts demonstrate that defendant Taylor committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(A), by failing to provide refunds according to the OG10K stated Return Policy.

6. The undisputed facts demonstrate that defendant Taylor committed unfair or deceptive acts or practices in violation of the CSPA, R.C. 1345.02(B)(4), by representing to consumers that the subject of a consumer transaction was available to consumers because of his priority with distributors, when such was not the case.

7. The undisputed facts demonstrate that defendant Taylor committed unconscionable consumer sales acts or practices in violation of the CSPA, R.C. 1345.03(B) by failing to inform consumers that because of the Defendants' precarious financial position that a refund of their purchase monies was unavailable because defendant Taylor had used those funds to purchase large bundles in order to obtain the hard to find product(s) and, more importantly, Taylor diverted nearly one million dollars of OG10K funds from the OG10K business account to accounts for Taylor or people associated with Taylor which, instead, could have been used to reimburse consumers.

Based on the foregoing, the Court finds that there are no genuine issues of material fact that exist to be litigated as to Defendant Taylor's liability for each of the violations asserted in Plaintiff's Complaint and Plaintiff is entitled to judgment against Defendant Taylor on the same as a matter of law. The Court further finds that the imposition of consumer damages and civil penalties against Defendant Taylor is appropriate, as is Plaintiff's request to separately brief the Court on those amounts with the use of affidavit testimony instead of live testimony to prove the consumer damages.

Accordingly, Plaintiff's Motion is GRANTED.

It is therefore hereby ORDERED, ADJUDGED, and DECREED that:

1. Declaratory judgment is made that the acts and practices described in Plaintiff's Complaint violate the CSPA, R.C. 1345.01 *et seq.*, and its Substantive Rules in the manner set forth above.
2. Defendant Taylor, doing business under his own name, the names William D. Taylor Sr. Inc, OG10KTech or any other names, together with his officers, partners, agents, representatives, salespersons, employees, successors or assigns, and all persons acting in concert and participation with him directly or indirectly through any corporate device, partnership or association, are PERMANENTLY ENJOINED, pursuant to R.C. 1345.07(A)(2), from engaging in any unfair, deceptive, or unconscionable acts and practices that violate the CSPA, and its Substantive Rules.
3. Defendant Taylor is ORDERED, pursuant to R.C. 1345.07(B), to pay actual damages to all consumers injured by Defendants' conduct as set forth herein. The amount of consumer damages owed will be determined upon Plaintiff's submission of a memorandum on damages to include consumer affidavits, instead of live testimony, as evidence of the damages.
4. In accordance with R.C. 1345.07(D), Defendant Taylor is ORDERED to pay civil penalties in a total amount to be determined upon Plaintiff's submission of a memorandum on damages.
5. Defendant Taylor is ORDERED to pay Plaintiff collection costs and interest on the unpaid balance of this judgment as permitted by Ohio law, including, but not limited to, R.C. 131.02, 109.08, and 109.081.
6. Defendant Taylor is ORDERED to pay all court costs associated with this matter.
7. Defendant Taylor, pursuant to the Court's authority in R.C. 1345.07(B) to grant other

appropriate relief, is ENJOINED from engaging in consumer transactions as a supplier in the State of Ohio until he has satisfied all monetary amounts ordered to be paid in this action and any other outstanding consumer protection judgments.

IT IS SO ORDERED.

THIS IS A FINAL APPEALABLE ORDER.
THERE IS NO JUST CAUSE FOR DELAY


JUDGE JAMES P. SCHUCK

Entry Prepared and Approved By:
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The Clerk is ordered to serve upon all parties not in default to appear, notice of the judgment and date of entry upon the journal within three days of journalization.