

IN THE COURT OF COMMON PLEAS
LICKING COUNTY, OHIO

CLERK COMMON
PLEAS COURT
LICKING CO. OHIO

2023 DEC 19 AM 9:05

STATE OF OHIO ex rel.
OHIO ATTORNEY GENERAL
DAVE YOST

Plaintiff,

v.

RICK WALLACE, *et. al.*

Defendants.

CASE NO. 2022 CV 01416

JUDGE MARCELAIN

OLIVIA C. PARKINSON
CLERK

RECEIVED
ATTORNEY GENERAL OF OHIO

DEC 27 2023

Final Judgment Entry

CONSUMER PROTECTION SECTION
PUBLIC INSPECTION FILE

Plaintiff, the State of Ohio, ex rel. Attorney General Dave Yost ("Plaintiff") commenced this action on December 28, 2022, filing its Complaint against Defendants Rick Wallace and Heath Furniture and Mattress LLC ("Defendants"). The Complaint alleged violations of the Ohio Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 *et seq.*, and its Substantive Rules, O.A.C. 109:4-3-01 *et seq.*, and sought declaratory relief, injunctive relief, restitution to injured consumers, and civil penalties.

On May 25, 2023, this Court rendered default judgment in favor of the Plaintiff. Default judgment included an order for Defendants to pay civil penalties and restitution to all consumers injured by Defendants' conduct, in an amount to be determined at a later date and evidenced by consumer affidavits. Plaintiff filed its Memorandum in Support of Damages and a Civil Penalty Against Defendants ("Damages Memo") on September 22, 2023 in which Plaintiff submitted evidence supporting the amount of civil penalties and consumer damages requested.

Plaintiff submitted evidence, including the affidavits of ten consumers, supporting its request for consumer damages and civil penalties. The consumers attested to the damages they suffered. The evidence established that each of the consumers sustained monetary damages in

The Clerk of Courts is hereby ORDERED
to serve a copy of the Judgement Entry
upon all parties or counsel.

connection with Defendants' furniture business. The court finds that consumers sustained damages in the total amount of \$15,664.41. Plaintiff also justified the basis for the amount of civil penalties requested pursuant to R.C. 1345.07(D). Plaintiff provided evidence of Defendant's violations of the CSPA which, pursuant to R.C. 1345.07(D), permit the imposition of a civil penalty in the amount of at least \$25,000. The Court finds Plaintiff's request well-taken.

Based on the above, the Court restates below the Findings of Fact, Conclusions of Law, and Orders that were originally included in the Court's May 25, 2023 Order and Entry Granting Default Judgment, and orders additional relief based on the evidence present in the Plaintiff's Damages Memo.

The Court makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. Defendant Heath Furniture and Mattress, LLC ("Heath Furniture") is a for-profit limited liability company registered with the Ohio Secretary of State and with a principal place of business in Heath, Ohio.
2. Defendant Rick Wallace ("Wallace") is a natural person residing at 106 St. Patrick Drive, Somerset, OH 43783 and who was and is an owner, employee, officer or director of Defendant Heath Furniture.
3. Defendant Wallace, at all times relevant to this action, directed, supervised, approved, formulated, authorized, ratified or otherwise participated in the acts and practices hereinafter alleged.

4. Defendants at all times relevant to this action were engaged in the business of soliciting, offering for sale, or selling furniture to consumers in the State of Ohio via their store located at 570 Hebron Rd., Heath, OH 43056.
5. Defendants entered into contracts with consumers for the purchase of selling furniture.
6. Defendants required consumers to make deposits and/or payments in full prior to receiving the purchased furniture.
7. Defendants promised consumers that they would ship furniture to consumers in exchange for payment.
8. After accepting money from consumers for furniture, Defendants failed to deliver the goods that were purchased by consumers.
9. Some consumers who did not receive their furniture requested refunds from Defendants.
10. Defendants failed to provide requested refunds to consumer for whom he did not deliver the furniture.
11. When consumers contacted Defendants about the status of their orders, Defendants misrepresented that consumers would eventually receive the goods.
12. To date, many consumers have still not received their ordered furniture.
13. Defendant Heath Furniture is no longer in business.

CONCLUSIONS OF LAW

14. The actions of Defendants, as described herein, have occurred in the State of Ohio, in Licking County, involved residents of the State of Ohio, and, as set forth herein, are in violation of the Consumer Sales Practices Act ("CSPA"), R.C. 1345.01 et seq.

15. The Attorney General, acting on behalf of the State of Ohio, and in the public interest, is the proper party to bring this action by virtue of the authority vested in the Attorney General by R.C. 1345.07.
16. Jurisdiction over the subject matter of this action lies with this Court pursuant to the CSPA, R.C. 1345.04.
17. This Court has venue to hear this case pursuant to Ohio Civ. R. 3(C)(2) and (C)(3) in that Defendants have their principal place of business in Licking County and conducted activity that gave rise to the claims for relief in Licking County.
18. Defendants are "suppliers" as that term is defined in R.C. 1345.01(C), because Defendants have engaged in the business of effecting "consumer transactions" either directly or indirectly by soliciting and selling furniture to individuals in Ohio for purposes that were primarily for personal, family, or household use as those terms are defined in R.C. 1345.01(A).
19. Defendants committed unfair or 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 goods and then permitting eight weeks to elapse without making shipment or delivery of the goods ordered, making a full refund, advising the consumers of the duration of an extended delay, and then offering to send a refund within two weeks if so requested, or furnishing similar goods of equal or greater value as a good faith substitute.
20. Defendants engaged in unfair and deceptive acts and practices in violation of the CSPA, R.C. 1345.02(A), by misrepresenting the status of consumers' orders and refunds.

21. Defendants engaged in unfair and deceptive acts and practices in violation of the CSPA, R.C. 1345.02(A), by providing consumers with inadequate and unfair customer service.
22. The acts or practices described in Conclusions of Law Paragraphs 19-21 have been previously determined by Ohio courts to violate the CSPA, R.C. 1345.01 et seq. Defendants committed said violations after such decisions were available for public inspection pursuant to R.C. 1345.05(A)(3).

THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED THAT:

- A. Defendants, doing business under his own name, the name Heath Furniture and Mattress LLC or any other names, his agents, representatives, salespeople, employees, successors, or assigns, and all persons acting in concert or participating with him, directly or indirectly, is PERMANENTLY ENJOINED from engaging in the acts and practices described in this order and from further violating the CSPA, R.C. 1345.01 et seq., and its Substantive Rules, O.A.C. 109:4-3-01 et seq.
- B. It is DECLARED that the acts and practices committed by Defendants, as set forth above, violate the CSPA, R.C. 1345.01 et seq. and its Substantive Rules, O.A.C. 109:4-3-01 et seq. in the manner set forth herein.
- C. Pursuant to 1345.07(B), Defendants are ORDERED, jointly and severally, to pay damages to the Ohio Attorney General in the amount of \$15,664.41 to be paid and distributed by the Attorney General to the consumers as specified on the attached Addendum A.
- D. Based on the above findings that Defendants committed unfair and deceptive acts and practices in violation of the CSPA, Defendants are ORDERED, jointly and severally, to pay civil penalties, pursuant to R.C. 1345.07(D), in the amount of \$25,000.

- E. The \$40,664.41 due to the Ohio Attorney General under this Judgment shall be made upon entry of Judgment by delivering a certified check or money order payable to the "Ohio Attorney General's Office" and delivered to:

Finance Specialist
Consumer Protection Section
Office of the Ohio Attorney General
30 East Broad Street, 14th Floor
Columbus, Ohio 43215

- F. Defendants are ENJOINED from engaging in business as a supplier in any consumer transactions with Ohio consumers until they have satisfied all financial liabilities arising from the subsequent damages hearing as well as any other outstanding consumer protection judgments in the State of Ohio.
- G. Defendants are ORDERED to pay all costs in bringing this action, including, but not limited to, the costs of collecting on this judgment.
- H. Defendants are ORDERED to pay all court costs.

IT IS SO ORDERED

DATE


JUDGE MARCELAIN

IN COMPLIANCE WITH CIVIL RULE 58, IT IS VERIFIED
THAT COPIES HAVE BEEN SENT TO PARTIES AND/OR
THEIR ATTORNEY OF RECORD IN A MANNER
PRESCRIBED BY CIVIL RULE 5(B) ON THIS 19th
DAY OF Dec, 2023.

Lori Parks

ADDENDUM A: CONSUMER DAMAGES SUMMARY

Last Name	First Name	City	County	State	Amount
Ahmedu	Jonathan	Reynoldsburg	Fairfield	OH	\$1,900.00
Curran	Thomas	Centerburg	Knox	OH	\$1,000.00
Hand	Delena	Newark	Licking	OH	\$1,100.00
Harris	Ashley	Zainsville	Muskingum	OH	\$1,700.00
Hunt	Holly	Newark	Licking	OH	\$1,822.70
Lund	Melanie	Heath	Licking	OH	\$400.00
McCoy	Kathy	Newark	Licking	OH	\$2,586.35
Palmer	Dakneeka	Heath	Licking	OH	\$3,130.36
Rios	Myrtle	Newark	Licking	OH	\$725.00
Tierney	Cathy	Granville	Licking	OH	\$1,200.00

TOTAL: \$15,564.41

