

94-22

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FILED BY CLERK  
DISTRICT COURT  
JUDICIAL DISTRICT

JUL 13 8 59 AM '95

LIMITED ACTIONS  
TOPEKA, KANSAS

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS  
DIVISION THREE

STATE OF KANSAS, ex rel. )  
CARLA J. STOVALL Attorney General, )  
 )  
Plaintiff, )  
 )  
vs. )  
 )  
MONTGOMERY WARD & CO., )  
INCORPORATED, )  
 )  
Defendant. )

- Case No. 94 CV 534

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 13<sup>th</sup> day of July 1995, the plaintiff's petition for approval of consent judgment comes before the court for consideration under K.S.A. 50-632(b). The State of Kansas ex rel. Carla J. Stovall, Attorney General, appears by and through Roy T. Artman, Assistant Attorney General. The defendant appears by and through Mark L. Bennett, Jr.

Whereupon, the parties advise the court that they have stipulated and agreed to the following matters:

1. Carla J. Stovall is the Attorney General of the State of Kansas.
2. Defendant is an Illinois corporation which does business in Kansas.

3. The Attorney General alleges that Montgomery Ward advertises jewelry using a regular price as a reference price to support claims of 60 - 65% off. The Attorney General further alleges that Montgomery Ward makes only incidental sales at the regular price and does not intend to sell jewelry at its regular price. It is alleged that this violates K.S.A. 50-626(b)(7), making false or misleading representations, knowingly or with reason to know, of fact concerning the reason for, existence of or amounts of price reductions, or the price in comparison to prices of competitors or one's own price at a past or future time.

4. The defendant denies allegations of plaintiff but to resolve this matter voluntarily agrees to this consent judgment without trial or adjudication of any issue of fact or law.

5. The provisions of this consent judgment will be applicable to the defendant and its employees, agents, representatives, assignees and successors-in-interest.

6. The defendant agrees to refrain from and to be enjoined from representing in its advertising, directly or by implication, that any price is a regular, original or former price for any jewelry unless;

(a) the referenced price is a price at or above which substantial sales of at least twenty-five (25) percent were made during a period of time, not less than thirty (30) days or more than twelve (12) months, which

period of time includes the date of the advertisement; or

(b) the referenced price is a price at or above the price at which said jewelry, or jewelry of the same kind, quality or quantity was openly, actively, and in good faith, offered, and not sold for less than, to the public by the defendant a majority of the time during a period of time, not less than thirty (30) days or more than twelve (12) months, which period of time includes the date of the advertisement, (excluding any period of time for which it is clearance merchandise and not replenished).

7. The defendant agrees to pay \$35,000 in investigation fees and expenses to the Attorney General of the State of Kansas and a \$5,000 civil penalty to the State of Kansas at the time of filing this consent judgment. In addition, Defendant agrees to pay \$10,000 charitable donation as designated by the Attorney General.

8. The defendant agrees to allow the Attorney General to inspect relevant business records in the future, including its advertisements, for up to one year following their publication.

9. The defendant agrees to pay all court costs and filing fees.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the stipulation and agreement of the parties contained herein are adopted and approved as the findings of the court.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to the Kansas consumer protection act, and the provisions of K.S.A. 50-632(b), the court hereby approves the terms of the consent judgment and adopts the same as the order of the court.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the defendant will pay all court costs and filing fees.

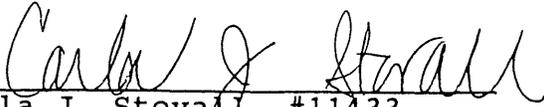
IT IS SO ORDERED.

Original Signed By:  
Marla J. Luckert

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DISTRICT COURT JUDGE

Approved by:  
STATE OF KANSAS



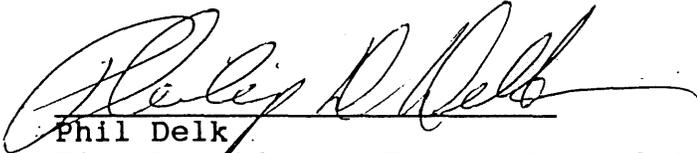
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