

James J. Welch, #09546
Assistant Attorney General
Office of the Attorney General
301 SW 10th
Topeka, Kansas 66612-1597
(785) 296-3751

99-079
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KS. DISTRICT COURT
3RD DISTRICT

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TOPEKA, KANSAS

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
Division 3

STATE OF KANSAS, *ex rel.*
CARLA J. STOVALL, Attorney General

Plaintiff,

vs.

INLAND MEATS, INC.,

Defendant.

Case No. 99C 1501

Petition Pursuant to K.S.A. Chapter 60

JOURNAL ENTRY OF CONSENT JUDGMENT

NOW on this 21st day of October, 1999, Plaintiff's Petition for Approval of Consent Judgment comes before the Court pursuant to K.S.A. 50-632(b). Plaintiff, the State of Kansas, *ex rel.* Carla J. Stovall, Attorney General, appears by and through James J. Welch, Assistant Attorney General. Defendant Inland Meats, Inc., appears by and through Henry Schulteis.

Whereupon, the parties advise the Court that they have stipulated and agree to the following matters:

1. Carla J. Stovall is the Attorney General of the State of Kansas.
2. The Attorney General's authority to bring this action is derived from the statutory and common law of the State of Kansas, specifically the Kansas Consumer Protection Act, K.S.A. 50-623 *et seq.*

3. Defendant Inland Meats, Inc. is a foreign corporation organized under the laws of the state of Washington. The principal office of the corporation is located at 7617 East Trent Avenue, Spokane, Washington 99212.

4. Defendant Inland Meats, Inc. may served with process by serving the Kansas Secretary of State's Office with instructions to serve Inland Meats, Inc. via certified mail to 7617 East Trent Avenue, Spokane, Washington 99212.

5. Defendant is a supplier within the definition of K.S.A. §50-624(i) and a seller within the definition of K.S.A. §50-901(g), and has engaged in consumer transactions in Kansas within the definition of K.S.A. §50-624(c) and (h).

6. Defendant admits the Court has personal and subject matter jurisdiction over the parties.

7. Venue is proper in Shawnee County because an act or practice declared to be a violation of the Kansas Consumer Protection Act occurred in such county and because Defendant has no principal place of business in the State of Kansas.

8. Defendant is a distributor of meat and food products which caused meat products to be shipped into the State of Kansas for resale..

9. The Attorney General alleges Defendant engaged in the following acts and practices which are deceptive and/or unconscionable and violate the Kansas Consumer Protection Act:

- a. During December, 1997, Defendant willfully caused to be shipped and offered for sale a total of approximately 72 cases (approximately 1,584 pounds) of "beef assortment," containing various cuts of beef; however, the boxes contained therein were not properly and completely labeled. This is in violation of K.S.A. §50-903(c)(1), in that it is the misrepresentation of cut, grade, brand of the product.

- b. During December, 1997, Defendant willfully caused to be shipped and offered for sale a total of approximately 72 individual boxes (totaling approximately 216 pounds) of meat product. Such boxes were labeled "USDA Beef T-Bone Steaks"; however, such boxes did not bear the federal marks of inspection, as required by K.S.A. §65-6a27(b)(1). This is in violation of K.S.A. §50-903(c)(2), in that it is the use of the abbreviation "U.S." in describing a product not properly labeled by the United States Department of Agriculture. This is also in violation of K.S.A. §50-903(c)(4), as it is the misrepresentation of a product through the use of a government grade, when the same was not properly labeled.

10. Defendant voluntarily agrees to this Consent Judgment without trial or adjudication of any issue of fact or law. Defendant, by entering into this Consent Judgment, shall not be deemed to admit the violations of the Kansas Consumer Protection Act alleged herein, or any violation of state or federal law. Defendant has agreed to entry of this Consent Judgment without admitting any wrongdoing and for settlement purposes only.

11. Defendant agrees to refrain from and to be permanently enjoined from engaging in those acts and practices alleged to be deceptive or unconscionable in paragraph nine (9) of this Consent Judgment, and Defendant agrees that engaging in such acts or similar acts, after the date of this Consent Judgment, shall constitute a violation of this Order.

12. Defendant agrees to refrain from and to be permanently enjoined from engaging in any and all deceptive and/or unconscionable acts and practices in violation of the Kansas Consumer Protection Act, K.S.A. 50-623 *et seq.*, as it now exists or as amended in the future and Defendant agrees that engaging in such acts or practices after the date of this consent judgment shall constitute a violation of this Order.

13. The provisions of this Consent Judgment will be applicable to Defendant, and every employee, agent or representative of Defendant.

14. Defendant agrees to make available and disclose the provisions of this Consent Judgment to its employees, agents and representatives within five days of signing the Consent Judgment.

15. Defendant agrees to resolve any future complaints filed with the Office of the Attorney General regarding Defendant after the date of this Consent Judgment to the satisfaction of the Attorney General within 30 days of the date such complaint is forwarded to Defendant for resolution.

16. Defendant agrees to be permanently enjoined from entering into, forming, organizing or reorganizing into any partnership, corporation, sole proprietorship or any other legal structures, for the purpose of avoiding compliance with the terms of this Consent Judgment.

17. Defendant agrees to pay \$2,500.00 in investigation fees and expenses, and \$2,500.00 in civil penalties to the "State of Kansas." Payment shall be made by cashiers check and shall be delivered to the Attorney General's Office at the time of Defendant's signing of this Consent Judgment.

18. Defendant agrees to pay all expenses and reasonable attorney's fees in connection with the collection of any amounts in this judgment, provided Defendant does not pay the amounts as agreed herein within the time frame stated.

19. Defendant agrees to maintain all business records for a period of five years and to allow the Attorney General to inspect all of Defendant's business records in the future.

20. Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Consent Judgment to apply to this Court at any time for such further orders and directions as may be necessary or appropriate for the modification of any of the provisions hereof, for the enforcement of compliance herewith, and for the punishment of violations thereof.

21. If any portion, provision, or part of this Consent Judgment is held to be invalid, unenforceable, or void for any reason whatsoever, that portion shall be severed from the

remainder and shall not affect the validity or enforceability of the remaining provisions, portions or parts.

22. Compliance with this Consent Judgment does not relieve Defendant of any obligation imposed by applicable federal, state, or local law, nor shall the Attorney General be precluded from taking appropriate legal action to enforce civil or criminal statutes under her jurisdiction.

23. The parties understand that this Consent Judgment shall not be construed as an approval of or sanction by the Attorney General of the business practices of Defendant nor shall Defendant represent the decree as such an approval. The parties further understand that any failure by the State of Kansas or by the Attorney General to take any action in response to any information submitted pursuant to the Consent Judgment shall not be construed as an approval of or sanction of any representations, acts or practices indicated by such information, nor shall it preclude action thereon at a later date.

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 fact and conclusions of law of the Court and any monies owed hereunder by Defendant immediately become a judgment upon filing.

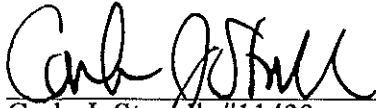
IT IS FURTHER ORDERED, ADJUDGED AND DECREED that judgment is entered against Defendant in favor Plaintiff in the amount of \$5,000.00.

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.

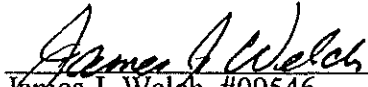
IT IS SO ORDERED.

/s/ Hon. Mark J. Suckert
DISTRICT COURT JUDGE

Approved by:

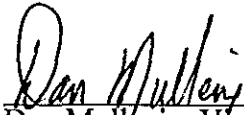


Carla J. Stoval, #11433
Attorney General

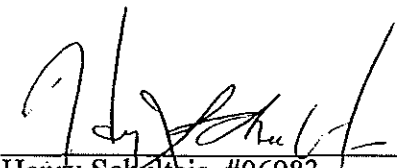


James J. Welch, #09546
Assistant Attorney General
Kansas Judicial Center
Topeka, Kansas 66612-1597
(785) 296-3751

Attorney for Plaintiff



Dan Mullenix, Vice President, for
Inland Meats, Inc.
7617 East Trent Avenue
Spokane, Washington 99212
Defendant



Henry Schulteis, #06983
1400 SW Topeka Boulevard
Topeka, KS 66612
(785) 235-2361

Attorney for Defendant