

OFFICE OF ATTORNEY GENERAL
CONSUMER PROTECTION AND ANTITRUST DIVISION
GATEWAY PROFESSIONAL CENTER
1050 E INTERSTATE AVENUE, STE 200
BISMARCK, NORTH DAKOTA 58503-5574



701-328-5570 (Telephone)
701-328-5568 (Facsimile)

STATE OF NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL

STATE OF NORTH DAKOTA EX REL.
WAYNE STENEHJEM,
ATTORNEY GENERAL,

Petitioner,

**CEASE AND DESIST ORDER,
NOTICE OF CIVIL PENALTY
AND NOTICE OF RIGHT
TO REQUEST A HEARING**

-vs-

ADRIAN SCOTT WILLIAMS, Individually and
dba **SPOTLIGHT CLOTHING AND
ACCESSORIES**
dba **ATTITUDES 4 U**
dba **NEW MILLENIUM PRODUCTIONS**

Respondent.

CPAT 130093.001

To the individual and entity identified below hereinafter "Respondent"):

ADRIAN SCOTT WILLIAMS
8617 W NORTH AVENUE APT 2
WAUWATOSA WI 53226-2759

SPOLIGHT CLOTHING AND ACCESSORIES
113 1ST AVENUE SOUTH
JAMESTOWN ND 58401-4248

NEW MILLENIUM PRODUCTIONS
8617 W NORTH AVENUE APT 2
WAUWATOSA WI 53226-2759

(including all of those entities' officers, directors, owners, agents, servants, employees and representatives as well as all other persons in active concert or participation with them, extending to all "doing business as" names, formal corporate names, fictitious names of any kind or any variations of the same)

BACKGROUND

1. The Attorney General of North Dakota has a reasonable basis to believe Respondent has engaged in and is engaging in acts or practices declared unlawful by North Dakota Century Code (N.D.C.C.) ch. 51-15, commonly referred to as the "Consumer Fraud Law," N.D.C.C. § 51-07-04, *Selling goods bearing counterfeit trademark*, and N.D.C.C. ch. 47-25, commonly referred to as the Trade Name Law. It is necessary and appropriate in the public interest and for protection of consumers to restrain the Respondent's unlawful acts or practices.

2. Adrian Scott Williams is a resident of Jamestown, North Dakota, and lives in various Jamestown hotels. Adrian Scott Williams also is a resident of Wauwatosa, Wisconsin, and maintains a residential address at 8617 W North Avenue, Apt 2, Wauwatosa, Wisconsin 53226-2759.

3. Adrian Scott Williams ("Respondent") is engaged in the advertising, solicitation and sale of merchandise, including clothing and accessories, and operates a retail store in Jamestown at 113 1st Avenue South, under the name Spotlight Clothing and Accessories. The retail store was formerly called Attitudes 4 U, and a sign over the store entrance still displays this name. Respondent also has done business under the name New Millenium Productions. Respondent allegedly brings all merchandise to the retail store by himself in his rental car. It is believed that he picks up the merchandise in Wisconsin and drives it to Jamestown or other stores that he operates. Respondent is

believed to operate additional stores in Williston, Watford City, and Belfield, North Dakota, and also in Wyoming.

4. The Attorney General received information on March 14, 2013, alleging that Respondent was engaged in misrepresentations in connection with the sale of merchandise from his retail store, and that he was selling counterfeit merchandise.

5. N.D.C.C. ch. 51-15 (Consumer Fraud Law) prohibits a person from engaging in any deceptive act or practice, fraud, false pretense, false promise, or misrepresentation, with the intent that others rely thereon in connection with the sale or advertisement of any merchandise.

6. It appears Respondent has engaged in violations of the Consumer Fraud Law by misrepresenting, expressly, impliedly or by omission of material facts, that merchandise offered are brand merchandise, when in fact they are counterfeit merchandise.

7. It also appears Respondent has misrepresented, expressly, impliedly, the nature, source and quality of merchandise sold.

8. On or about March 14, 2013, the Jamestown police Department obtained and executed a search warrant on Respondent's hotel room and vehicle. During the search of the vehicle, the police found numerous garments of North Face, two racing beanies and a Gucci hand bag, and two Mechie purses that appear to be counterfeit. The officers conducting the search claimed the items looked cheap. The merchandise was described as cheap, not quality merchandise and mislabeled.

9. Further, it is alleged Respondent has distributed advertisements at Jamestown College for the sale of "Fox Gear" brand t-shirts for \$5 that are normally sold

for \$20 each. It is believed that this merchandise is counterfeit goods, and that it was sold and represented as genuine brand merchandise.

10. It is further believed that Respondent is selling merchandise with North Face trademarks that do not have "The North Face" labels. Although the merchandise appears to have the accurate trademark of "The North Face," the label of the clothing shows that it is, in fact, not a "The North Face" product and that it is not manufactured by "The North Face." It is believed that Respondent has represented and sold counterfeit North Face merchandise as genuine brand merchandise.

11. Respondent has advertised a back-to-school sale of "All Monster Tees," including "Monster Fox" and "Monster DC" brand t-shirts at the price of \$14.99 each. It is believed that this merchandise is counterfeit goods, and that it was sold and represented as genuine brand merchandise.

12. Based on the information received, it appears to the Attorney General that Respondent has made misrepresentations, expressed or implied, in connection with the sale of merchandise at his retail store, by falsely representing the nature, brand, source, origin, manufacturer, or quality of merchandise sold, and by misrepresenting counterfeit merchandise as genuine goods.

13. Respondent was investigated in 2008 by Appleton police department in Wisconsin for selling a business that possessed and sold counterfeit merchandise. Appleton police department had been contacted by an investigator from Nike Corporation who alleged that a store, which was operated by Respondent, was selling counterfeit Nike merchandise.

14. Pursuant to N.D.C.C. § 51-07-04, it is unlawful for any person to, with intent to represent such goods as the genuine goods of another, sell or keep for sale

any goods upon which any counterfeit trademark has been affixed, knowing the same to be counterfeited. A violation of N.D.C.C. § 51-07-04 is class A misdemeanor.

15. Based on the information received, it appears that Respondent has advertised and sold merchandise, which Respondent knows to be counterfeit, to consumers with the intent to represent it to be genuine goods. It appears that Respondent has violated N.D.C.C. § 51-07-04.

16. Pursuant to N.D.C.C. § 47-25-02, a person may not engage in business in North Dakota under a trade name until the trade name is registered with the Secretary of State. Respondent has operated his retail business under the name of Spotlight Clothing and Accessories since November of 2012. According to the Secretary of State's Office, Respondent has never registered this name with the Secretary of State. Respondent is, therefore, operating under an unregistered trade name in violations of N.D.C.C. ch. 47-25.

ORDER

Based on the foregoing information, it appears to the Attorney General that Respondent has engaged in violations of N.D.C.C. ch. 51-15, N.D.C.C. § 51-07-04, and N.D.C.C. ch. 47-25, and **NOW, THEREFORE, IT IS ORDERED** pursuant to N.D.C.C. § 51-15-07 that Respondent, individually, and where applicable his agents, servants, employees, contractors, and representatives (extending to all "doing business as" names, formal corporate names, aliases, fictitious names of any kind or any variations of the same), as well as all other persons in active concert or participation with him, whether directly or indirectly, immediately **CEASE AND DESIST** from: 1) advertising, soliciting or selling merchandise to North Dakota residents; 2) engaging in any deceptive act or practice, fraud, false pretense, false promise, or misrepresentation,

with the intent that others rely thereon in connection with the sale or advertisement of any merchandise, in violation of N.D.C.C. ch. 51-15; 3) engaging in the advertisement or sale of counterfeit merchandise in violation of N.D.C.C. §51-07-04 or ch. 51-15; and 4) engaging in business in North Dakota under a trade name that is not registered with the Secretary of State, in violation of N.D.C.C. ch. 47-25. Respondent also shall immediately **CEASE AND DESIST** from taking, collecting, charging, billing or accepting any payment from any North Dakota consumers, including, but not limited to, cash, check, direct credit, debits or withdrawals from North Dakota consumers' credit cards, debit cards or bank accounts for any past or future sale of merchandise or other services related to the sale of merchandise.

YOU ARE NOTIFIED that pursuant to N.D.C.C. § 12.1-09-03 a person is guilty of a criminal offense if he or she intentionally "alters, destroys, mutilates, conceals, or removes a record, document, or thing with intent to impair its verity or availability" in an official proceeding. As such, intentional destruction of any documents related to this matter may result in criminal prosecution.

NOTICE OF CIVIL PENALTIES

YOU ARE FURTHER NOTIFIED that pursuant to N.D.C.C. § 51-15-07 any violation of this Cease and Desist Order is subject to civil penalties not to exceed \$1,000 per violation. Any violation of this Order that also is a violation of N.D.C.C. ch. 51-15 may result in additional civil penalties of not more than \$5,000 per violation. Any violation of this Order that also is a violation of N.D.C.C. § 51-07-04 is a class A misdemeanor. Nothing in this Order is intended to limit or waive any rights and remedies available to the State of North Dakota or consumers.

NOTICE OF RIGHT TO REQUEST HEARING

YOU ARE NOTIFIED that pursuant to N.D.C.C. § 51-15-07 you may request a hearing before the Attorney General if such a request is made in writing WITHIN TEN (10) DAYS AFTER THE RECEIPT OF THIS ORDER. Respondent has the right to be represented by legal counsel at the hearing.

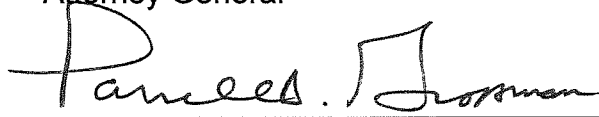
Dated this 28th day of March, 2013.

STATE OF NORTH DAKOTA

Wayne Stenehjem

Attorney General

BY:



Parrell D. Grossman, ID No. 04684

Assistant Attorney General

Director, Consumer Protection and
Antitrust Division

Office of Attorney General

Gateway Professional Center

1050 East Interstate Avenue Ste. 200

Bismarck, ND 58503-5574

(701) 328-3404