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STATE OF WASHINGTON
KING COUNTY SUPERIOR COURT

STATE OF WASHINGTON,

Plaintiff,

v.

CAREERMAKER, INC., a Washington
Corporation, d/b/a CM TRAVEL;
RUSSELL B. DAWE, in his capacity as
Chief Executive Officer, Owner, and
Manager of Careermaker, Inc., individually
and as part of his marital community;
MARIKA K. DAWE, a/k/a
MARY K. DAWE and MARIKA
ERLANGER, President, Owner, and
Manager of Careermaker, Inc., individually
and as part of her marital community,

Defendants.

NO.

08-2-05939-1 SEA

CONSENT DECREE
[CLERK'S ACTION REQUIRED]

I. JUDGMENT SUMMARY

- 1.1 Judgment Creditor: State of Washington
- 1.2 Judgment Debtors: Careermaker, Inc., a Washington Corporation, d/b/a CM Travel, Russell B. Dawe, Marika K. Dawe, a/k/a Mary K. Dawe, Marika Erlanger
- 1.3 Principal Judgment Amount:
 - a. Civil Penalties: \$10,000.00 (\$10,000.00 suspended conditioned on full compliance with this Consent Decree)
 - b. Restitution \$2,635.00

COPY

1 Defendants recognize and state that this Consent Decree is entered into voluntarily and
2 that no promises or threats have been made by the Attorney General's Office or any member,
3 officer, agent or representative thereof to induce it to enter into this Consent Decree, except as
4 provided herein; and

5 Defendants waive any right they may have to appeal from this Consent Decree; and

6 Defendants further agree that they will not oppose the entry of this Consent Decree on the
7 grounds the Consent Decree fails to comply with Rule 65(d) of the Rules of Civil Procedure, and
8 hereby waives any objections based thereon; and

9 Defendants further agree that this Court shall retain jurisdiction of this action for the
10 purpose of implementing and enforcing the terms and conditions of the Consent Decree and for all
11 other purposes; and

12 The Court finding no just reason for delay;

13 NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, AND DECREED as
14 follows:

15 II. GENERAL

16 2.1 Jurisdiction. This Court has jurisdiction over the subject matter of this action and
17 over the parties. The Plaintiff's Complaint in this matter states claims upon which relief may be
18 granted under the provisions of the Consumer Protection Act, RCW 19.86.

19 2.2 Defendants. For purposes of this Consent Decree the term "Defendants" where
20 not otherwise specified shall mean Caremaker, Inc., d/b/a CM Travel; Russell B. Dawe,
21 individually and as part of his marital community; Marika K. Dawe, a/k/a Mary K. Dawe,
22 Marika Erlanger, individually and as part of her marital community.

23 III. INJUNCTIONS

24 3.1 Application of Injunctions. The injunctive provisions of this Consent Decree
25 shall apply to the Defendants, and the Defendants' successors, assigns, officers, agents (other
26 than independent agents who have contracted with Defendants as independent contractors),

1 servants, employees, representatives, and all other persons or entities under the direction and
2 control of and in active concert or participation with the Defendants.

3 **3.2 Notice.** Defendants shall immediately inform all successors, assigns, officers,
4 agents (other than independent agents who have contracted with Defendants as independent
5 contractors), servants, employees, representatives, and all other persons or entities under the
6 direction and control of and in active concert or participation with Defendants of the terms and
7 conditions of this Consent Decree.

8 **3.3 Injunctions.** Defendants and all successors, assigns, officers, agents (other than
9 independent agents who have contracted with Defendants as independent contractors),
10 servants, employees, representatives and all other persons or entities under the direction and
11 control of and in active concert or participation with Defendants are hereby permanently
12 enjoined and restrained from directly or indirectly engaging in the following acts or practices
13 in Washington:

14 (a) Disseminating or causing to disseminate advertising material representing, either
15 expressly or by implication, that Defendants are hiring employees unless Defendants are offering
16 bona fide employment to individuals; including, but not limited to advertising independent travel
17 agent opportunities with advertising materials that imply bona fide employment opportunities.
18 All material intended to advertise independent travel agent opportunities shall clearly and
19 conspicuously state that the opportunity advertised is as an independent contractor for Defendants.

20 (b) Offering consumers independent travel agent agreements without clearly and
21 conspicuously disclosing to prospective agents prior to execution of the agreement:

22 (i) That the agent's relationship with CM Travel under the agreement is as
23 an independent contractor, rather than as an employee;

24 (ii) That the agent's earnings under the agreement will be derived solely
25 from commissions based on the number of completed bookings made by the agent through
26 CM Travel, rather than from a salary or an hourly wage paid by CM Travel;

1 (iii) That the number of bookings made by the agent through CM Travel will
2 depend on the effort put forth by the agent, including, but not limited to, the amount of time the
3 agent devotes to operating as an independent agent of CM Travel, the initiative, skill and
4 diligence with which the agent operates as such, the marketing and client-development efforts
5 and skills of the agent, and the agent's knowledge of the travel industry and the various travel
6 services available through the travel services providers with which CM Travel conducts
7 business;

8 (iv) The range of commissions (the high and the low) that have been earned
9 by CM Travel agents in the past, based on the actual historical experience of CM Travel
10 agents, as reflected in CM Travel's business records;

11 (v) That the agent will not receive from CM Travel any sick leave or sick
12 pay, vacation time or vacation pay, medical, dental, disability or other health-related insurance
13 or benefits, workers' compensation benefits, retirement benefits, or other benefits typically
14 associated with employment;

15 (vi) That, beyond the Website, booking software, blanket insurance and
16 promotional services provided by CM Travel under the agreement, the agent will be financially
17 responsible for all business expenses associated with operating as an independent travel agent,
18 including office facilities, supplies, equipment (including computer hardware and software and
19 internet access), services (including insurance) and promotional, marketing and advertising
20 expenses;

21 (vii) The mandatory fees and charges for which the agent will be financially
22 obligated to CM Travel under the agreement, including the amount thereof and the
23 circumstances under which they will be charged; and

24 (viii) The additional fees and charges for which the agent may be financially
25 obligated to CM Travel under the agreement in the event the agent elects to receive or
26 participate in the optional services, benefits or opportunities offered by CM Travel and/or the

1 travel services providers with which CM Travel conducts business, including the amount
2 thereof and the circumstances under which they will be charged.

3 **IV. RESTITUTION**

4 **4.1** Pursuant to RCW 19.86.080, Defendants shall pay the amount of \$2,635.00 to
5 Plaintiffs to distribute to the consumers identified on Exhibit A to this Consent Decree in the
6 amounts indicated. Defendants shall cease all collection activities or direct any third-party
7 collector acting on their behalf to cease all collection activities against the consumer. At the
8 consumer's written request, Defendants shall notify the credit bureaus in writing that the
9 amount of the debt is fully satisfied.

10 **4.2** Payment owing under this provision shall be in the form of a valid check paid to
11 the order of the "Attorney General—State of Washington" and shall be due and owing
12 immediately upon entry of the Consent Decree. Payment shall be sent to the Office of the
13 Attorney General, Attention: Cynthia Lockridge, Administrative Office Manager, 800 Fifth
14 Avenue, Suite 2000, Seattle, Washington, 98104-3188.

15 **V. CIVIL PENALTIES**

16 **5.1** Pursuant to RCW 19.86.140, Plaintiff shall have and recover, and Defendants shall
17 be liable for and shall pay, civil penalties of \$10,000.00. However, the entire \$10,000.00 of the
18 penalties is suspended conditioned upon Defendants' full compliance with the terms of this
19 Consent Decree for a period of three (3) years from entry of this Consent Decree.

20 **VI. ATTORNEY'S COSTS & FEES**

21 **6.1** Pursuant to RCW 19.86.080, Plaintiff shall recover and Defendants shall pay the
22 costs and reasonable attorney's fees incurred by the Plaintiff in pursuing this matter in the amount
23 of \$9,000.00, payable upon entry of this Consent Decree.

24 **6.2** In any successful action to enforce any part of this Consent Decree, Defendants
25 will pay the Attorney General its attorney's fees and costs, including reasonable attorney's fees as
26 provided by RCW 19.86.080.

1 Decree: Defendants, or any officer, director, agent (other than independent agents who have
2 contracted with Defendants as self-employed independent contractors), or employee of any
3 corporation affiliated with Defendants. This paragraph does not limit the right of the Office of
4 the Attorney General to contact independent agents who have contracted with Defendants as
5 self-employed independent contractors for the above purposes.

6 7.6 Nothing in this Consent Decree shall be construed as to limit or bar any other
7 governmental entity or consumer from pursuing other available remedies against Defendants.

8 7.7 Under no circumstances shall this Consent Decree or the name of the State of
9 Washington, the Office of the Attorney General, Consumer Protection Division, or any of their
10 employees or representatives be used by any Defendants named in the Complaint in connection
11 with any selling, advertising, or promotion of products or services, or as an endorsement or
12 approval of any acts, practices or conduct of business by Defendants. Accurate disclosure of
13 the terms of this Consent Decree by Defendants for legitimate business reasons, such as
14 assuring compliance with Section 3 of this Consent Decree shall not constitute a violation of
15 this paragraph.

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1 **IV. DISMISSAL AND WAIVER OF CLAIMS**

2 8.1 Upon entry of this Consent Decree, all claims in this matter, not otherwise
3 addressed by this Consent Decree are dismissed. **FEB 12 2008**

4 DONE IN OPEN COURT this _____ day of _____, 2007.

5
6 **CARLOS Y. VELATEGUI**
7 JUDGE/COURT COMMISSIONER

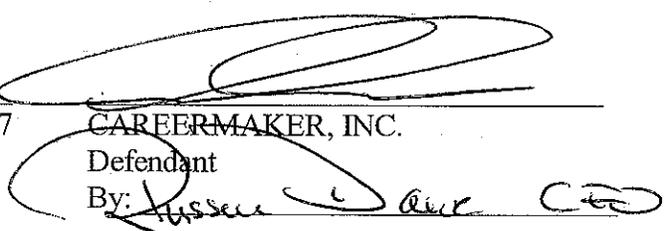
8 Approved for Entry and Presented by:

Agreed to, Approved for Entry, Notice of
Presentation Waived:

9 ROBERT M. MCKENNA
10 Attorney General

11
12 SHANNON E. SMITH, WSBA #19077
13 Senior Counsel
14 Attorneys for Plaintiff
State of Washington

CAREERMAKER, INC.
Defendant

By: 

15
16 RUSSELL B. DAWE
17 Defendant

18
19 MARIKA K. DAWE
20 Defendant

21
22 JAMES KIRKHAM JOHNS, WSBA #12358
23 Counsel for Defendants
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25
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