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8 **STATE OF WASHINGTON
KING COUNTY SUPERIOR COURT**

9 STATE OF WASHINGTON,

10 Plaintiff,

11 v.

12 SOLE, INC., a Washington
13 Corporation; and KYUNGOK NAM,
14 also known as Remy Nam, individually
and as Owner of Sole, Inc.,

15 Defendants.

NO.

COMPLAINT FOR INJUNCTIVE
AND OTHER RELIEF UNDER THE
CONSUMER PROTECTION ACT

16 COMES NOW, Plaintiff, State of Washington, by and through its attorneys Robert M.
17 McKenna, Attorney General and Paula Selis, Senior Counsel, and brings this action against
18 Defendants named herein. The State alleges the following on information and belief:

19 **I. JURISDICTION AND VENUE**

20 1.1 This Complaint is filed and these proceedings are instituted under the provisions
21 of the Unfair Business Practices—Consumer Protection Act, Chapter 19.86 RCW.

22 1.2 The violations alleged in this Complaint have been committed in whole or in
23 part in King County, in the State of Washington, by Defendants named herein.

24 1.3 Authority of the Attorney General to commence this action is conferred by
25 RCW 19.86.080 and RCW 19.86.140.
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1 **II. DEFENDANTS**

2 2.1 Defendant Sole, Inc. is a Washington corporation. Its principal place of
3 business is located at 14950 NE 95th St., Suite A, Redmond, Washington 98052. Defendant
4 Sole, Inc. is and has at all times relevant to this action been engaged in the marketing and sale
5 of massage chairs, bathtubs, range hoods, sinks, faucets and other household goods through its
6 Web sites, www.thefactoryoutlet.com; www.goodchairs.com; www.finedia.com;
7 www.rangehoodsmall.com; www.magicjohn.com and www.mybidets.com and also via
8 telephonic sales.

9 2.2 Defendant Kyungok Nam, also known as Remy Nam, is and has at all times
10 relevant to this action been the Owner and Officer of defendant Sole, Inc.. As the Owner and
11 Officer of Sole, Inc., Defendant Kyungok Nam has control over Sole, Inc.'s policies, practices,
12 and activities. Defendant Kyungok Nam resides at 8247 154th Ave. SE. Newcastle,
13 Washington 98059.

14 **III. NATURE OF TRADE OR COMMERCE**

15 3.1 At all times material to this action, Sole, Inc. and Kyungok Nam (together,
16 "Defendants") have promoted, advertised, marketed, and sold massage chairs, bathtubs, range
17 hoods, sinks, faucets and other household goods through its Web sites,
18 www.thefactoryoutlet.com; www.goodchairs.com; www.finedia.com;
19 www.rangehoodsmall.com; www.magicjohn.com and www.mybidets.com to consumers
20 across the country. The prices for Defendants' products range from small rugs costing less
21 than \$100.00 to massage chairs costing more than \$6,000.00.

22 3.2 When consumers place orders on Defendants' websites, Defendants accept
23 these orders and charge consumers' credit cards, or obtain payment through Paypal or Google
24 checkout.
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1 3.3 Defendants have solicited, advertised, and sold products in King County,
2 Washington and are in competition with others in the State of Washington engaged in similar
3 business.

4 **IV. FIRST CAUSE OF ACTION—FAILURE TO DELIVER**

5 4.1 Plaintiff realleges paragraphs 2.1 through 3.3 and incorporates them herein as if
6 set forth in full.

7 4.2 Throughout their business dealings, Defendants agree to deliver various
8 household goods to consumers. In reliance on Defendants' agreement to deliver these
9 products, consumers place orders on Defendants' Web site and submit payment for their
10 orders. However, despite the fact that Defendants accept consumers' payment, in some
11 instances, Defendants fail to deliver consumers' orders.

12 4.3 The conduct described above constitutes unfair or deceptive acts or practices in
13 trade or commerce, and unfair methods of competition in violation of RCW 19.86.020.

14 **V. SECOND CAUSE OF ACTION—MISREPRESENTATIONS**

15 5.1 Plaintiff realleges paragraphs 2.1 through 4.3 and incorporates them herein as if
16 set forth in full.

17 5.2 Defendants, in the regular course of business, make or have made a number of
18 misrepresentations, including but not limited to the following:

- 19 a. Defendants represent that they can deliver various household products to
20 consumers placing orders on their Web site. Their website states: "All
21 orders are processed between 7 a.m. and 5 p.m. (PST), Monday through
22 Friday. Your order will be shipped within 48 hours, unless otherwise
23 noted." <http://thefactoryoutlet.com/corp/helpdesk.asp>,
24 September 20, 2010. In fact, after charging consumers' credit cards for
25 their orders, in some instances, Defendants fail to deliver consumers'
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1 orders within the time represented, and in some instances fail to deliver
2 the product at all.

3 b. When consumers contact Defendants' about the status of their late
4 shipments, Defendants in some cases represent that the delays are
5 ascribable to various issues outside of their control, such as errors made
6 by the salesperson who sold the item, problems with the factory, and
7 shipping issues. In such instances, Defendants promise a new delivery
8 date for the item. In fact, in many instances, the item is not delivered on
9 the date promised.

10 c. In some instances, consumers complain to Defendants about
11 malfunctioning products purchased from Defendants. Defendants
12 represent that they will provide the support necessary to fix the product,
13 by ordering a new part or sending out a technician to fix the problem. In
14 some instances, Defendants fail to do so.

15 5.3 The conduct described above constitutes unfair or deceptive acts or practices in
16 trade or commerce, and unfair methods of competition in violation of RCW 19.86.020.

17 VI. PRAYER FOR RELIEF

18 WHEREFORE, Plaintiff, State of Washington, prays for relief as follows:

19 6.1 That the Court adjudge and decree that Defendants have engaged in the conduct
20 complained of herein.

21 6.2 That the Court adjudge and decree that the conduct complained of in
22 Paragraphs 3.1 through 5.3 constitutes unfair and deceptive acts and practices in trade or
23 commerce and unfair methods of competition in violation of the Consumer Protection Act,
24 Chapter 19.86 RCW.

25 6.3 That the Court issue a permanent injunction enjoining and restraining Defendants,
26 and their representatives, successors, assigns, officers, agents, servants, employees, and all other

1 persons acting or claiming to act for, on behalf of, or in active concert or participation with
2 Defendants, from continuing or engaging in the unlawful conduct complained of herein.

3 6.4 That the Court assess penalties, pursuant to RCW 19.86.140, of up to Two
4 Thousand Dollars (\$2,000.00) per civil violation against Defendants for each and every violation
5 of RCW 19.86.020 caused by the conduct complained of herein.

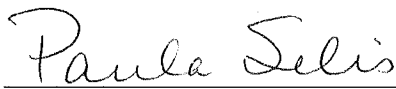
6 6.5 That the Court make such orders pursuant to RCW 19.86.080 as it deems
7 appropriate to provide for restitution to consumers of money or property acquired by Defendants
8 as a result of the conduct complained of herein.

9 6.6 That the Court make such orders pursuant to RCW 19.86.080 as it deems
10 appropriate to provide for restitution to consumers of royalties owed to consumers as a result of
11 the conduct complained of herein.

12 6.7 That the Court make such orders pursuant to RCW 19.86.080 to provide that
13 plaintiff, State of Washington, have and recover from Defendants the costs of this action,
14 including reasonable attorney's fees.

15 DATED this 25th day of May, 2011.

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17 ROBERT M. MCKENNA
Attorney General

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19 PAULA SELIS, WSBA #12823
20 Senior Counsel
21 Attorneys for Plaintiff
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