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**STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION**

IN THE MATTER OF DETERMINING
whether there has been a violation
of the Business Opportunity Fraud Act of
Washington by:

New Method Marketing, Inc.;
Bruce H. Rogat;
Tyler R. Ryder,

Respondents.

Order Number S-06-055-06-TO01

**SUMMARY ORDER TO CEASE AND
DESIST**

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THE STATE OF WASHINGTON TO: New Method Marketing, Inc.
Bruce H. Rogat
Tyler R. Ryder

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STATEMENT OF CHARGES

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Please take notice that the Securities Administrator of the State of Washington has reason to believe that Respondents, New Method Marketing, Inc., Bruce H. Rogat, Tyler R. Ryder, and their agents and employees, have violated the Business Opportunity Fraud Act of Washington, RCW 19.110, and that their violations justify the entry of an order of the Securities Administrator under RCW 19.110.150 to cease and desist from such violations. The Securities Administrator finds that delay in ordering Respondents, New Method Marketing, Inc., Bruce H. Rogat and Tyler R. Ryder to cease and desist from such violations would be hazardous to investors and to the public and orders that a Summary Order to Cease and Desist should be entered immediately.

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The Securities Administrator finds as follows:

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SUMMARY ORDER TO CEASE AND DESIST

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DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 **TENTATIVE FINDINGS OF FACT**

2 Respondents

3 1. New Method Marketing, Inc., (“New Method Marketing”) a Colorado Corporation, was
4 incorporated on March 21, 1990 and is currently conducting business at 14 Inverness Drive East, Suite C-
5 108 Englewood, Colorado 80112. New Method Marketing maintains a website at
6 www.newmethodmarketing.com.

7 2. Bruce H. Rogat (“Rogat”) is the President and Registered Agent of New Method Marketing.

8 3. Tyler R. Ryder (“Ryder”) is the General Manager and Vice President of Dealer Operations of
9 New Method Marketing.

10 Nature of Offering

11 4. New Method Marketing is the seller of a business opportunity to own and operate a
12 dealership that specializes in the sale of direct marketing mailers sent on behalf of real estate,
13 mortgage and insurance specialists.

14 5. Respondents attended the Franchise and Business Opportunity Show (“Show”) in Seattle,
15 Washington on March 4th and 5th, 2006.

16 6. Respondents offered the business opportunity to Washington residents at the Show.

17 7. On April 20, 2006, a Washington Resident contacted New Method Marketing about
18 dealership opportunities via email after seeing an advertisement for dealerships on their website. The
19 email was sent to an address hyperlinked to the dealership offering. On April 25, 2006, the Resident
20 emailed Ryder again and inquired whether there were any dealerships available in Washington. Ryder
21 replied on April 26, 2006, stating, “We have dealerships in the Seattle/Tacoma area still available. We
22 were recently in Seattle at a franchise and business opportunities trade show and have had subsequent

1 discussions with a few leads...I would enjoy speaking with you about this potential business
2 opportunity.”

3 8. On June 16, 2006, New Method Marketing shipped the Resident a dealership offering kit.
4 The business opportunity provides the purchaser with an exclusive territory for a “personalized
5 advertising system” which provides “personalized, direct mail marketing programs and related
6 products to real estate, mortgage, insurance, healthcare and general business professionals throughout
7 the United States.” The Dealer License agreement states, “The initial Dealer License fee is \$15,000.
8 The estimated initial investment required is \$19,700, inclusive of the dealer license fee.”

9 9. The purchaser of the opportunity also receives an operating and marketing system. The
10 materials state, “The New Method Marketing operating model consists of information, procedures and
11 products that are necessary to conduct a successful business.” Purchasers receive the following
12 materials according to the offering documents: “A Dealership Operations Manual, Marketing materials
13 and samples, Suggested Presentation formats, including a standard ‘pitch kit’, Contracts and Forms.”
14 In addition, purchasers receive two days of training at the corporate office, which includes: “Methods
15 of identifying prospective clients, Sales methods to obtain appointments, Suggested sales and
16 presentation techniques, Client database acquisition and maintenance.” Finally, New Method also
17 provides product support and ongoing support for purchasers of the opportunity.

18 10. Additionally, the offering materials state that there is “high potential and multiple revenue
19 streams for each client” as well “Monthly Income and Residual Income” for purchasers of the
20 opportunity. Monthly income projections listed on the “New Method Marketing Dealership Income
21 Potential” document included in the offering materials range from \$600 a month in commissions in
22

1 “Month #1” to \$14,310 a month in commissions in “Month #24.” The projections are based upon a 24
2 month period.

3 11. As of the date this Summary Order was entered, Respondents were continuing to advertise
4 their business opportunity on the New Method Marketing website.

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6 Registration Status

7 12. On March 1, 2006 New Method Marketing Inc. submitted an incomplete Business Opportunity
8 Application to the Securities Administrator.

9 13. New Method Marketing, Inc. is not currently and has not previously been registered to offer or
10 sell business opportunities in the State of Washington.

11 Based upon the above Findings of Fact, the following Conclusions of Law are made:

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14 **CONCLUSIONS OF LAW**

15 1. The offers and/or sales of the business opportunity described above constitute the offer
16 and/or sale of a business opportunity as defined in RCW 19.110.020(1) and RCW 19.110.030(1).

17 2. Respondents New Method Marketing, Bruce H. Rogat, Tyler R. Ryder, and their agents and
18 employees, are in violation of RCW 19.110.050, the registration requirement provision of the Business
19 Opportunity Fraud Act, because no registration for Respondents is on file with the Securities
20 Administrator.

1 **EMERGENCY**

2 The Securities Administrator finds that an emergency exists, that the continued violations of
3 RCW 19.110.050 constitute a threat to the investing public, and that a Summary Order to Cease and
4 Desist from those violations is in the public interest and necessary for the protection of the investing
5 public.

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7 **SUMMARY ORDER**

8 Based on the foregoing:

9 NOW, THEREFORE, IT IS SUMMARILY ORDERED that Respondents, New Method Marketing,
10 Bruce H. Rogat, Tyler R. Ryder, and their agents and employees, shall cease and desist from violation of
11 RCW 19.110.050, the registration requirement provision of the Business Opportunity Fraud Act.

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13 **AUTHORITY AND PROCEDURE**

14 This Order is entered pursuant to the provisions of RCW 19.110.150 and is subject to the provisions
15 of Chapter 34.05 RCW. The Respondent may make a written request for a hearing as set forth in the
16 NOTICE OF OPPORTUNITY TO DEFEND AND OPPORTUNITY FOR HEARING accompanying this
17 Order. If the Respondent does not request a hearing, the Securities Administrator intends to adopt the
18 above Tentative Findings of Fact and Conclusions of Law as final, and enter a permanent cease and desist
19 order against the Respondent, as sought in this Summary Order.

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21 **WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.**

22 DATED AND ENTERED this 26th day of July, 2006.

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By:



MICHAEL E. STEVENSON
Securities Administrator

Approved by:



Martin Cordell
Chief of Enforcement

Presented by:



Angela Vogel
Enforcement Attorney