

1
2
3
4
5
6
7
8

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

9
10
11
12

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

Order Number S-06-056-06-CO01

CONSENT ORDER

13
14
15
16
17
18

Designer Hardscapes, Inc;
John Benton,

Respondents.

19
20
21
22
23
24
25

Pursuant to the Business Opportunity Fraud Act of Washington, RCW 19.110, the Securities Division and Respondents, Designer Hardscapes, Inc. and John Benton, do hereby enter into this CONSENT ORDER in settlement of the matters alleged herein. Respondents, Designer Hardscapes, Inc. and John Benton, neither admit nor deny the Findings of Fact and Conclusions of Law stated below.

FINDINGS OF FACT

Respondents

1. Designer Hardscapes, Inc. (“Designer Hardscapes”), a Nevada corporation, was established on November 16, 2005. Designer Hardscapes is currently doing business at 6585 S. Arville St. Las Vegas, NV 89118.

2. John Benton (“Benton”) is the President and Director of Designer Hardscapes, Inc.

Nature of Offering

3. Designer Hardscapes is the seller of a business opportunity to own and operate a dealership that specializes in the sale and installation of decorative paving stones.

1 4. Respondents attended the Franchise and Business Opportunity Show in Seattle, Washington
2 on March 4th and 5th, 2006.

3 5. Respondents offered the business opportunity to Washington residents at the show.

4 6. Respondents collected the names, addresses and telephone numbers of at least 21 residents at
5 the show. Respondents contacted the residents and sent them sales information.

6 7. On March 10, 2006, Respondents mailed a Washington resident, who attended the show, a
7 brochure and package of offering materials, including a dealership application.

8 8. Respondents represented to the Washington resident in the materials that Designer Hardscapes
9 provides purchasers of the opportunity “with the full turn-key business operations strategy, as well as the
10 skilled craftsman, labor and equipment to facilitate the installation of all your hardscape projects” and
11 that “Our proven business model provides you with a complete ‘turn-key’ package including: Sales,
12 Training & Operation Manuals, All business documents, forms and contracts, Extensive training, site
13 selection assistance and on-going support, and Sales & Marketing materials-including brochures, ad-
14 slicks and direct marketing templates”.

15 9. The Designer Hardscapes materials also represented, “the opportunity to establish a multi-
16 million dollar business is very possible” and “a one time dealership investment could produce endless
17 results” and “If you have the desire to run a multi-million dollar business entity, this could be the
18 opportunity for you.”

19 10. Purchasers of the opportunity are required to pay \$52,000 to \$107,000 for a “dealership
20 package” depending upon what package the purchasers of the opportunity select. Designer Hardscapes
21 offers a Silver Package for \$52,000, a Gold Package for \$97,000, a Platinum Package for \$102,600 as
22 well as a Marketing Package for \$12,000 and a Partner to Success Package for \$5,000 that can be added

1 to the Silver or Gold Packages. These packages each offer a range of services and support including:
2 training, software, dealership site assistance, documents and contracts, on-site support, business plan
3 development, website development, promotional items, direct marketing materials, and subcontractors.
4 Designer Hardscapes also requires an initial capital investment of \$100,000.

5 Registration Status

6 11. Designer Hardscapes became registered to offer and sell business opportunities in the State of
7 Washington on April 11, 2006, and was not registered prior to that time.

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

9
10 **CONCLUSIONS OF LAW**

- 11 1. The offers and/or sales of the business opportunity described above constitute the offer and/or
12 sale of a business opportunity as defined in RCW 19.110.020(1) and RCW 19.110.030(1).
- 13 2. The offers and/or sales of said business opportunity were in violation of RCW 19.110.050, the
14 registration requirement provision of the Business Opportunity Fraud Act, because no registration for
15 offers and/or sales is on file with the Securities Administrator.

16
17 **CONSENT ORDER**

18 Based upon the foregoing:

19 IT IS AGREED AND ORDERED that Respondents, Designer Hardscapes, Inc. and John Benton,
20 their agents and employees, each shall cease and desist from offering or selling business opportunities in
21 violation of RCW 19.110.050, the registration section of the Business Opportunity Fraud Act of the State
22 of Washington.

