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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 )  
Franchise Investment Protection Act of )  
Washington by: )  
Champion Child, Inc. d/b/a "Stretch-n-Grow," Jill )  
A. Manly, Robert "Bob" E. Manly and Caryn J. )  
Burnier, )  
Respondents. )

Order No. S-11-0845-13-FO01

**FINAL ORDER**

On January 7, 2013, the Securities Administrator of the state of Washington issued S-11-0845-12-SC01 hereinafter referred to as the Statement of Charges. The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing, hereinafter referred to as "Notice of Opportunity for Hearing" and an Application for Adjudicative Hearing, hereinafter referred to as "Application for Hearing," were served on Champion Child, Inc. d/b/a "Stretch-n-Grow" (Champion Child) by Certified U.S. Mail on January 22, 2013; on Jill A. Manly by Certified U.S. Mail on January 25, 2013; and on Robert "Bob" E. Manly and Caryn J. Burnier by first class U.S. Mail that was posted on February 12 and 20, 2013 respectively. The Notice of Opportunity for Hearing advised Respondents Champion Child, Jill A. Manly, Robert "Bob" E. Manly and Caryn J. Burnier that a written application for an administrative hearing on the Statement of Charges must be received within twenty days from the date of receipt of the notice. Respondents Champion Child, Jill A. Manly, Robert "Bob" E. Manly and Caryn J. Burnier failed to request an administrative hearing within twenty days of receipt of the Statement of Charges and Notice of Opportunity for Hearing, either on the Application for Hearing provided, or otherwise.

The Securities Administrator therefore will adopt as final the following Findings of Fact and Conclusions of Law as set forth in the Statement of Charges and enter a final order against each of the Respondents Champion Child, Jill A. Manly, Robert "Bob" E. Manly and Caryn J. Burnier to cease and desist from violations of the Franchise Investment Protection Act.

The Securities Administrator makes the following Findings of Fact and Conclusions of Law:

**FINDINGS OF FACT**

I. Respondents

1. Champion Child, Inc. d/b/a "Stretch-n-Grow" is a Florida corporation with its principal place of business in Seminole, Florida. Champion Child is in the business of selling franchises for its children's exercise and fitness program (the Program).

2. Jill A. Manly is the president of Champion Child.

1 3. Robert "Bob" E. Manly is the chief executive officer of Champion Child.

2 4. Caryn J. Burnier is the Franchise Sales Director of Champion Child.

3 II. Background and Nature of the Offering

4 5. Champion Child currently advertises the offer of its children's exercise and fitness program  
franchises on its website at <http://stretch-n-grow.com/franchise-opportunities>.

5 6. From 1996 to 2011, Champion Child, through Jill A. Manly, Robert E. Manly and Caryn J. Burnier,  
6 as the Franchise Sales Director, offered and sold at least three franchises to Washington residents through its website,  
via email, by telephone, through the mail and by word of mouth.

7 7. Caryn J. Burnier, acting on behalf and at the direction of Jill A. and Robert E. Manly, provided copies  
8 of the Champion Child franchise disclosure documents (FDDs) to prospective purchasers.

9 8. Champion Child charged franchisees an initial franchise fee ranging as high as \$22,600 with an  
ongoing "Administrative/Licensing" fee of \$150 a month.

10 9. Champion Child provided franchisees with the right to use the Champion Child names and marks in  
11 the operation of the Champion Child "Program."

12 10. Champion Child franchisees were required to complete the Champion Child training program.

13 11. Champion Child provided franchisees with operating assistance by telephone and other means.

14 12. Champion Child provided franchisees with an exclusive territory that were designated by zip codes.

15 13. Champion Child provided or were obligated to provide franchisees with "Masters" for all promotional  
materials authorized by the company; lesson plans and handouts for authorized curriculum; training materials such as  
16 operation manuals, DVDs and CDs; authorized "warm-up stories"; "Youth Fitness Standards and Certification  
Exams"; "Masters" for authorized business forms; a Merchandise Starter Pack and shirts with logos.

17 14. On September 7, 2007, the Maryland Attorney General entered a Final Order against Champion Child  
18 to permanently cease and desist from violating the Maryland Franchise Law and an order of the Securities  
Commissioner. The Maryland State Securities Commissioner had earlier entered into a consent order with Champion  
19 Child on May 23, 2006 in which Champion Child had agreed to cease and desist from violations of the registration,  
20 disclosure and antifraud provisions of the Maryland Franchise Law.

21 III. Anti-Fraud Violations

22 15. In connection with the offer and sale of the franchises after September, 2007, Respondents Champion  
Child, Jill A. Manly, Robert "Bob" E. Manly and Caryn J. Burnier, failed to disclose to prospective franchisees that  
23 Champion Child was the subject of an action by the Maryland Attorney General's Office. A Final Order was issued in  
the Maryland action on September 7, 2007 that ordered Champion Child to permanently cease and desist from  
24 violating the Maryland Franchise Law. The Final Order alleged that Champion Child had made misrepresentations to  
25

1 prospective Stretch-N-Grow franchisees in the form of unlawful earnings claims, sold unregistered franchises and  
2 failed to provide proper disclosure to franchisees.

3 16. In connection with the offer and sale of the franchises after September, 2007, Champion Child, Jill A.  
4 Manly, Robert "Bob" E. Manly and Caryn J. Burnier provided prospective franchisees with a franchise disclosure  
5 document that affirmatively stated that Champion Child was not the subject of any pending or past litigation.

6 17. In 2011, at least one Champion Child prospective franchisee was provided an out of date FDD and  
7 made a request to Caryn J. Burnier that she provide the prospect with the most recent annual financial statements and  
8 was not provided a copy.

#### 9 IV. Registration Status

10 18. Respondent Champion Child is not currently registered to sell its franchises in the state of Washington  
11 and has not previously been so registered.

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

### 13 CONCLUSIONS OF LAW

#### 14 I.

15 The offer or sale of franchises described above constitutes the offer and/or sale of a franchise as defined in  
16 RCW 19.100.010(6), RCW 19.100.010(12) and RCW 19.100.010(17).

#### 17 II.

18 The offer or sale of said franchise is in violation of RCW 19.100.020 because no registration for such offer  
19 and/or sale by Champion Child was on file with the Securities Administrator for certain time periods when offers or  
20 sales occurred.

#### 21 III.

22 The offer and/or sale of said franchises were in violation of RCW 19.100.170 because Respondents failed to  
23 provide prospective purchasers with a franchise disclosure document or offering circular that contained all material  
24 information about the franchise including, but not necessarily limited to, a current audited financial statement and  
25 because Respondents falsely represented to franchise prospects and purchasers that Champion Child had no past or  
pending litigation to disclose.

### FINAL ORDER

Based upon the foregoing and finding it in the public interest:

1 IT IS HEREBY ORDERED that the Respondents Champion Child, Jill A. Manly, Robert "Bob" E. Manly  
2 and Caryn J. Burnier, their agents and employees each shall cease and desist from offering and/or selling franchises in  
3 any manner in violation of RCW 19.100.020, the registration provision of the Franchise Investment Protection Act.

4 IT IS FURTHER ORDERED that the Respondents Champion Child, Jill A. Manly, Robert "Bob" E. Manly  
5 and Caryn J. Burnier, their agents and employees each shall cease and desist from offering and/or selling franchises in  
6 any manner in violation of RCW 19.100.170, the anti-fraud provision of the Franchise Investment Protection Act.

7 **AUTHORITY AND PROCEDURE**

8 This Final Order is entered pursuant to the provisions of RCW 19.100.248 and is subject to the provisions of  
9 Chapter 34.05 RCW. Respondents have the right to petition the superior court for judicial review of this agency  
10 action under the provisions of Chapter 34.05 RCW. For the requirements for Judicial Review, see RCW 34.05.510  
11 and sections following.

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

13 Signed and Entered this 9th day of April, 2013.

14 

15 William M. Beatty  
16 Securities Administrator

17 Approved by:

18 Presented by:

19 

20 Suzanne E. Sarason  
21 Chief of Enforcement

22 

23 Martin Cordell  
24 Financial Legal Examiner

25 Reviewed by:



Jack McClellan  
Financial Legal Examiner Supervisor