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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:)
Hounds Mounds, Inc. d/b/a Poop 911,)
Respondent.)

Order No. S-13-1191-13CO01

CONSENT ORDER

7 Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division
8 and Respondent, Hounds Mounds, Inc., do hereby enter into this CONSENT ORDER in settlement of the matters
9 alleged herein. Respondent Hounds Mounds, Inc. neither admits nor denies the Tentative Findings of Fact or
10 Conclusions of Law as stated below.

11 **FINDINGS OF FACT**

12 **I. Respondent**

13 Hounds Mounds, Inc. d/b/a Poop 911 is a Texas corporation with its principal place of business in Dallas,
14 Texas. Geoffrey Bodle is the Chairman of the Board and President/Secretary of Hounds Mounds, Inc.

15 **II. Nature of Offering**

16 Hounds Mounds, Inc. is in the business of offering Poop 911 franchises, a pet waste removal service.
17 Hounds Mounds, Inc. offers its franchises for sale through its website at: <http://www.poop911.com/franchise.shtml>.
18 Hounds Mounds, Inc. provides its licensees with a right to use its names and marks, specified signage and
19 advertising requirements, an exclusive territory, marketing assistance and other services that includes training,
20 marketing through its website, a central call and scheduling center, back office support services, and customer billing
21 services. Hounds Mounds, Inc. currently charges its licensees an 18.9% royalty fee on gross revenues and a monthly
22 Internet/Website advertising fee.

23 In 2010, Hounds Mounds, Inc. offered and sold an individual, by telephone and email, the opportunity to
24 operate a Poop 911 pet waste removal business in Washington State. Hounds Mounds, Inc. did not provide the
25 individual with a franchise disclosure document with material information about the company, including, but not
limited to financial statements. The Washington licensee attended a training program at Hounds Mounds Inc.'s
Dallas, Texas office. Hounds Mounds, Inc. provided the Washington licensee with the right to use its names and
marks, graphics, training, marketing assistance through its website and provided back office support services in
exchange for a 15.9% monthly royalty fee.

1 **III. Registration Status**

2 Respondent Hounds Mounds, Inc. is not currently registered to sell its franchises in the state of
3 Washington and has not previously been so registered. Respondent Hounds Mounds, Inc. filed an application with
4 the Securities Division to register its offer of franchises on January 7, 2013 and the application is currently under
5 review and in pending status. There is no notification of exemption on file with the state of Washington.

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

7 **CONCLUSIONS OF LAW**

8 **I.**

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

11 **II.**

12 The offer or sale of said franchise was in violation of RCW 19.100.020 because no registration for such offer
13 and/or sale was on file with the Securities Administrator, state of Washington at the time of the sale to the
14 Washington licensee.

15 **III.**

16 The offer and/or sale of said franchise was in violation of RCW 19.100.080 because Respondent failed to
17 provide its Washington licensee with a franchise disclosure document that contained the information about the
18 franchise required by RCW 19.100.040.

19 **CONSENT ORDER**

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

21 IT IS AGREED AND ORDERED THAT Respondent Hounds Mounds, Inc., its agents and employees
22 shall each cease and desist from offering or selling franchises in violation of RCW 19.100.020, the registration
23 section of the Franchise Investment Protection Act of the state of Washington.

24 IT IS FURTHER AGREED that Respondent Hounds Mounds, Inc., its agents and employees shall each
25 cease and desist from violating RCW 19.100.080, the disclosure document section of the Franchise Investment
Protection Act of the state of Washington.

IT IS FURTHER AGREED that Respondent Hounds Mounds, Inc. shall pay the Securities Division the
costs and other expenses incurred in the investigation of this matter in the amount of \$875 on or before the date of
entry of this Consent Order.

1 IT IS FURTHER AGREED that the Securities Division has jurisdiction to enter this Consent Order.

2 IT IS FURTHER AGREED that Respondent, Hounds Mounds, Inc., enters into this Consent Order freely
3 and voluntarily and with full understanding of its terms and significance.

4 IT IS FURTHER AGREED that in consideration of the foregoing, Hounds Mounds, Inc., waives its right
5 to a hearing and to judicial review of this matter.

6 Signed this 12th day of March 2013.

7 Signed by Hounds Mounds, Inc.

8 By /s/
9 Geoffrey Bodle, President

10 SIGNED and ENTERED this 13th day of March 2013.

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13 William M. Beatty
14 Securities Administrator

15 Approved by:

16 Presented by:

17 
18 Suzanne Sarason
19 Chief of Enforcement

20 
21 Cordell, Martin
22 Financial Legal Examiner

23 Reviewed by:

24 
25 Jack McClellan
Financial Legal Examiner Supervisor