STATE OF WASHINGTON DEPARTMENT OF FINANCIAL INSTITUTIONS SECURITIES DIVISION

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	IN THE MATTER OF DETERMINING)	
3	Whether there has been a violation of the	
	Franchise Investment Protection Act of)	Order No. S-17-2156-17-FO01
4	Washington by:	
		ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF
5	Fresh & Healthy Brands, LLC d.b.a. Go-Grill, Pure)	LAW AND FINAL ORDER TO CEASE AND DESIST
	Health, Yo-Good, and Juice Zone; Chad Charles	
6	Parker; Juice Zone Franchising, Corp.; Cole	
	Parker; and Go-Grill	
7)	
	Respondents.	
8		

THE STATE OF WASHINGTON TO:

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Fresh & Healthy Brands, LLC d.b.a. Go-Grill, Pure Health, Yo-Good, and Juice Zone; Chad Charles Parker; Juice Zone Franchising, Corp.; Cole Parker; and Go-Grill

On March 28, 2016, the Securities Administrator for the state of Washington issued Statement of Charges and Notice of Intent to Issue an Order to Cease and Desist, S-17-2156-17-SC01, against Respondents Fresh & Healthy Brands, LLC d.b.a. Go-Grill, Pure Health, Yo-Good, and Juice Zone; Chad Charles Parker; Juice Zone Franchising, Corp.; Cole Parker; and Go-Grill (the Respondents").

The Statement of Charges, together with a Notice of Opportunity to Defend and Opportunity for Hearing ("Notice of Opportunity for Hearing") and an Application for Adjudicative Hearing ("Hearing Application"), was served on the Respondents by registered mail on April 18, 2017.

The Notice of Opportunity for Hearing advised the Respondents 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 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 will therefore 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 the Respondents to cease and desist from violations of the Franchise Act.

FINDINGS OF FACT

I.

Parties

1. Fresh & Healthy Brands, LLC is a franchiser of multiple restaurant concepts including Juice Zone, Go-Grill, Yo-Good, and Pure Health and whose principal place of business is in Langley, British Columbia.

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ENTRY OF FINDINGS OF FACT AND CONCLUSIONS LAW AND FINAL ORDER TO CEASE AND DESIST DEPARTMENT OF FINANCIAL INSTITUTIONS Securities Division PO Box 9033 Olympia WA 98507-9033 360-902-8760

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- 2. Juice Zone Franchising, Corp. ("Juice Zone") is a Delaware corporation that markets fruit juice smoothies restaurants and whose principal place of business is in Langley, British Columbia.
- 3. Chad Charles Parker ("Chad Parker"), a British Columbia resident, is the Chief Executive Officer and President of Fresh & Healthy Brands. Chad Parker is an owner and managing member of the company.

Cole Parker is the Franchise Development Manager for Fresh & Healthy Brands, International.

II.

Prior Franchise Registration

4. In July, 2007, Juice Zone Franchising Corp. ("Juice Zone"), a Delaware corporation, filed a franchise application with the Securities Division to offer and sell franchises in the state. At that time, Chad Parker was the founder, CEO, and controlling shareholder of Juice Zone. Juice Zone, Franchise Registration Number 70013829, was granted a permit to offer franchises in the state of Washington from July 20, 2007 to July, 20, 2008. Juice Zone did not renew its permit and has not been registered with the Securities Division to offer franchises in the state since 2008.

III.

Nature of the Offering

- 5. In or about 2011, Chad Parker, Cole Parker and Juice Zone Franchising, Corp. offered and sold a Juice Zone franchise to a Washington resident ("Resident"). Respondents Chad Parker and Juice Zone granted the Resident the right to use the Juice Zone trademarks and tradenames. Chad Parker and Juice Zone offered the Resident a franchise for an initial franchise fee of \$25,000 and a recurring royalty fee of 6% of the Resident's gross sales. Chad Parker and Juice Zone agreed to provide the resident with a franchise operations manual, and advertising methods and materials. Chad Parker and Juice Zone agreed to provide the Resident with pre- and post-opening training and assistance. Chad Parker and Juice Zone agreed to provide the Resident with consultation and advice regarding:
 - (a) selection, purchasing, stocking and display of products and services;
 - (b) formulation and implementation of advertising and promotional programs;
- (c) establishment and maintenance of administrative, bookkeeping, accounting, inventory control and general operating procedures; and
 - (d) improvements to the Juice Zone System, including new product and service development.

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- 6. In or about February, 2011, Respondent Cole Parker told the Resident in an email that once the franchise agreement was signed, that Juice Zone would register and provide the Resident with "proof of registry."
- 7. In or about March, 2011, Respondent Chad Parker told the Resident in an email that he agreed to add a provision to the franchise agreement "that franchisor will register with the State of Washington."
- 8. Fresh & Healthy Brands currently states on its website that it is "now accepting franchise applications for Pure Health and Go-Grill, in these locations in North America! Plus, great opportunities exist in these U.S. states: California, Connecticut, Florida, New Jersey, New York, Texas, and Washington!"
- 9. On January 30, 2017, Respondents Chad Parker, Cole Parker and Fresh & Healthy caused to be published on the Craigslist Seattle webpage at https://seattle.craigslist.org/see/bfs/5965200732.html an advertisement for a Go-Grill franchise for \$25,000. The advertisement stated that the opportunity was "Full Turnkey with ongoing support." The advertisement invited prospects to contact the company for a complete business presentation. Fresh & Healthy maintains a website at http://www.freshandhealthybrands.com. On its website, Fresh & Healthy offers four franchise concepts called (1) Go-Grill, a "health food franchise with a fresh grill twist," (2) Pure Health, "made to order sandwiches, salads and soups, (3) Yo-good, "frozen yogurt," and (4) Juice Zone, "juices and smoothies."

III.

Registration and Franchise Application Status

10. Fresh & Healthy Brands, LLC and Juice Zone Franchising, Corp. are not currently registered to offer or sell franchises in the state of Washington. Fresh & Healthy, Brands, LLC has not previously been registered and Juice Zone Franchising, Corp. has not been registered since 2008.

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

CONCLUSIONS OF LAW

T.

The offer or sale of the Fresh & Healthy Brand, Juice Zone, and Go-Grill franchises described above constitute the offer and/or sale of a franchise as defined in RCW 19.100.010(6), RCW 19.100.010(12), and RCW 19.100.010(17).

II.

The Respondents Fresh & Healthy Brands, LLC d.b.a. Go-Grill, Pure Health, Yo-Good, and Juice Zone; Chad Charles Parker; Juice Zone Franchising, Corp.; Cole Parker; and Go-Grill offered and/or sold said franchises in violation of RCW 19.100.020 because no registration for such offers and sale was on file with the Securities Administrator from 2011 to present when offers or sales occurred.

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The Respondents Chad Parker, Cole Parker and Juice Zone Franchising, Corp violated RCW 19.100.170, the "Violations" section of the Franchise Investment Protection Act, because they misrepresented to a Washington resident that they would register with the State of Washington.

FINAL ORDER

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

IT IS HEREBY ORDERED that the Respondents Fresh & Healthy Brands, LLC d.b.a. Go-Grill, Pure Health, Yo-Good, and Juice Zone; Chad Charles Parker; Juice Zone Franchising, Corp.; Cole Parker; and Go-Grill, their agents and employees each shall cease and desist from violations of RCW 19.100.020 and RCW 19.100.170, the registration and violations sections of the Franchise Act of Washington.

AUTHORITY AND PROCEDURE

This Order is entered pursuant to the provisions of Chapter 19.100 RCW and is subject to the provisions of RCW 19.100.260 and RCW 34.05. The Respondent may petition the superior court for judicial review of this agency action under the provisions of RCW 34.05. For the requirements for filing a Petition for Judicial Review, see RCW 34.05.510 and sections following.

WILLFUL VIOLATION OF THIS ORDER IS A CRIMINAL OFFENSE.

Signed and Entered this <u>25th</u> day of May, 2017.

William M. Beatty Securities Administrator

Presented by:

Martin Cordell

Financial Legal Examiner

Approved by:

Suzanne Sarason

Chief of Enforcement

Jack McClellan

Reviewed by:

Financial Legal Examiner Supervisor