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## **NORTH DAKOTA CRACKS DOWN ON TIME-SHARE MARKETING ABUSES**

BISMARCK – Attorney General Wayne Stenehjem has taken comprehensive action to address the time-share sales industry's marketing practices in North Dakota, conducting eleven investigations and obtaining eleven settlements from marketers throughout the country.

A flurry of complaints relating to a vendor at the 2007 Fargo RibFest prompted the investigation. There, consumers were told they could enter a contest to win a free vacation in the Bahamas; however, the entry slips with consumer contact information (known as "leads") were then sold to telemarketers working on behalf of time-share companies. Some of the telemarketers violated North Dakota's do-not-call law, home solicitation law, contest-prize notice law, made misrepresentations to consumers and engaged in high-pressure sales tactics. Virtually every complaining consumer was told he or she had "won" the "free" trip; however, the trip contained hidden costs and fees and consumers going on the trip are required to sit through a time-share sales presentation.

Separate from RibFest, the Attorney General also took action against other time-share marketers who came to North Dakota to conduct events without proper transient merchant licensing or whose sales contracts failed to give consumers adequate notice of cancellation rights, and against telemarketers who used prerecorded calls in violation of North Dakota's do-not-call law.

"I think it is important to send a message to the time-share industry – from the lead generators to the telemarketers to the time-share companies – all the way up the chain, that they will be held accountable for violations of North Dakota law," Stenehjem said. "No longer can time-share companies turn a blind eye to the methods, sometimes illegal, used by their marketers."

As a result of the Attorney General's investigations, 53 North Dakota citizens received refunds totaling \$28,088.50; the Attorney General recovered \$19,500 in lieu of civil penalties and secured a judgment in the amount \$10,044. The parties that settled with the Attorney General include: David Biddick, Jennifer Donohue, Eric Lewenstein, Sharon Pincous, Great Vacation Destinations, Inc., Plaza Resorts, Inc., Universal Action Travel, Inc., Resort Tours & Accommodations, Inc., Jacob Wood, Club Resort Intervals, LLC and Kenneth Jon Decker.

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For details of the investigations and settlements, see: [Time Share Details](#)  
[Time Share Marketing](#)