

1  
2  
3  
4  
5  
6  
7

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

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

IN THE MATTER OF DETERMINING ) Order No.: S-17-2300-18-FO01  
Whether there has been a violation of the )  
Business Opportunity Fraud Act of ) ENTRY OF FINDINGS OF FACT AND  
Washington by: ) CONCLUSIONS OF LAW AND  
) FINAL ORDER TO CEASE AND DESIST  
Randy Galten and Anna Galten d/b/a Eat This! )  
)  
Respondents )  
)

THE STATE OF WASHINGTON TO: Randy Galten and Anna Galten d/b/a Eat This!

On June 19, 2018, the Securities Administrator of the State of Washington issued Statement of Charges and Notice of Intent to Enter Order to Cease and Desist, Order No. S-17-2300-18-SC01 (hereinafter referred to as “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”), was served on Respondents Randy Galten and Anna Galten on June 23, 2018. The Notice of Opportunity for Hearing advised Respondents Randy Galten and Anna Galten 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 Randy Galten and Anna Galten each 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 the Respondents to cease and desist from violations of the Business Opportunity Fraud Act.

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

2 **FINDINGS OF FACT**

3 **Respondents**

4 1. Randy Galten is a resident of Post Falls, Idaho and Anna Galten's husband. Randy Galten  
5 has done business as Eat This! with Anna Galten since at least November 2015. In 2017 and 2018, Randy  
6 Galten offered an unregistered business opportunity to Washington residents that enables purchasers to start  
7 a business selling Italian style frozen fruit desserts ("Italian ice").

8 2. Anna Galten is a resident of Post Falls, Idaho and Randy Galten's wife. Anna Galten has  
9 done business as Eat This! with Randy Galten since at least November 2015. In 2017 and 2018, Anna  
10 Galten offered an unregistered business opportunity to Washington residents that enables purchasers to start  
11 a business selling Italian ice.

12 **Nature of the Conduct**

13 3. In 2017, Randy and Anna Galten (collectively, "Eat This!") offered three packages of varying  
14 quantities of equipment, supplies, training, and ongoing support to Washington residents that enable a  
15 purchaser to begin a business selling Italian ice. Eat This! offered this business opportunity through an  
16 advertisement on Craigslist, and through the website eatthisitalianice.com (the "website"). These  
17 unregistered offers included misleading statements concerning the return on investment that purchasers  
18 could expect, and the income that purchasers could expect.

19 4. In September 2017, Eat This! offered its business opportunity through an advertisement that it  
20 placed in Craigslist's Tri Cities, Washington listings. The advertisement was captioned "Italian Ice Turnkey  
21 Business Opportunity - \$14900." The advertisement represented that "[w]e are offering you the opportunity  
22 to start your own business turnkey style. We will provide you all of the equipment and product to get  
23 started. You [provide a business name], we provide the rest." The advertisement further stated that  
24 purchasers "could get started for as low as \$14,900."

1           5.       In 2017 and 2018, Eat This! used the website to offer its business opportunity to the general  
2 public. The website represented that purchasers would be buying a “turn-key business.” The website also  
3 listed the business opportunity’s benefits, including: high profit margins, flexible marketing, and the  
4 provision of all materials and training necessary to start the business.

5           6.       The website indicated that Eat This! offered its business opportunity in three packages: the  
6 silver package, the gold package, and the platinum package. Each package included a ten-foot by ten-foot  
7 booth, a serving cart, the base ingredients needed to make Italian ice, training, and “lifetime support.” The  
8 gold package offered larger sizes and quantities of some of the business opportunity’s components than did  
9 the silver package. Likewise, the platinum package offered larger sizes and quantities of some of the  
10 business opportunity’s components than did the gold package.

11          7.       Each package included a marketing plan from Eat This! as part of the training that was  
12 included with the business opportunity. The marketing plan would be based upon conversations between Eat  
13 This! and the purchaser. Eat This! would provide advice concerning marketing and advertising an Italian ice  
14 business based upon the purchaser’s circumstances and Eat This!’s own experience operating an Italian ice  
15 business.

16          8.       Eat This! made misleading statements on its website concerning the return on investment that  
17 a purchaser could expect. The website stated that purchasers buying the silver package would receive  
18 enough base ingredients to make 344 gallons of Italian ice, and produce a return on investment of  
19 approximately \$12,900. The website stated that purchasers buying the gold package would receive enough  
20 base ingredients to make 1,032 gallons of Italian ice, and produce a return on investment of approximately  
21 \$38,700. The website stated that purchasers buying the platinum package would receive enough base  
22 ingredients to make 2,580 gallons of Italian ice, and produce a return on investment of approximately  
23 \$96,750. The website further stated that purchasers of the platinum package would double their investment.  
24  
25



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**CONCLUSIONS OF LAW**

1. The offer of business packages described above constitutes the offer of a business opportunity in Washington as defined in RCW 19.110.020 and RCW 19.110.030.

2. The offer of said business opportunities violated RCW 19.110.050 because no registration for such an offer is on file with the Securities Administrator.

3. The offer of said business opportunities violated RCW 19.110.120 because Randy Galten and Anna Galten made misleading statements of material fact or omitted to state material facts in connection with the offer of business opportunities.

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

**FINAL ORDER**

IT IS HEREBY ORDERED that the Respondents Randy Galten and Anna Galten, and their agents and employees, shall each cease and desist from offering and/or selling business opportunities in any manner in violation of RCW 19.110.050, the Business Opportunity Fraud Act's registration section.

IT IS HEREBY ORDERED that the Respondents Randy Galten and Anna Galten, and their agents and employees, shall each cease and desist from violating RCW 19.110.120, the Business Opportunity Fraud Act's anti-fraud section.

**AUTHORITY AND PROCEDURE**

This FINAL ORDER is entered pursuant to the provisions of RCW 19.110.150, and is subject to the provisions of Chapter 34.05 RCW. The Respondents have the right to petition the superior court for judicial review of this agency action under the provisions of RCW 34.05. For the requirements for Judicial Review, see RCW 34.05.510 and sections following.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

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

SIGNED and ENTERED this 23rd day of July 2018.



---

William M. Beatty  
Securities Administrator

Approved by:

Presented by:



---

Suzanne Sarason  
Chief of Enforcement

---

Edward R. Thunen  
Financial Legal Examiner

Reviewed by:



---

Robert Kondrat  
Financial Legal Examiner Supervisor