

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

**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:

GBC Food Services, LLC
d/b/a Yummi Sushi

Respondent.

Order No. S-21-3158-21-CO01

CONSENT ORDER

Pursuant to the Franchise Investment Protection Act of Washington, RCW 19.100, the Securities Division and Respondent GBC Food Services, LLC d/b/a Yummi Sushi do hereby enter into this Consent Order in settlement of the matters alleged herein. Respondent GBC Food Services, LLC d/b/a Yummi Sushi neither admits nor denies the Findings of Fact or Conclusions of Law as stated below.

FINDINGS OF FACT

Respondent

1. GBC Food Services, LLC d/b/a Yummi Sushi is a Texas limited liability company formed on May 17, 2011. GBC Food Services, LLC has a business address in Farmers Branch, Texas. GBC Food Services, LLC is in the business of operating sushi and Asian food kiosks that are located in supermarkets, cafeterias, and university facilities. The Co-CEO of GBC Food Services, LLC is Thein Aung.

Nature of the Conduct

2. Between 2019 and 2021, GBC Food Services, LLC entered into written agreements constituting franchises with approximately 45 residents of Washington. Under the written agreements, Washington residents (who were referred to as independent contractors) (hereinafter “franchisees”) were authorized to operate a Yummi Sushi kiosk at a specified grocery store in western Washington. Franchisees

CONSENT ORDER

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

1 were responsible for the preparation, display and sale of sushi and other related food items in ready-to-go
2 containers that included the Yummi Sushi trademark. GBC Food Services, LLC provided franchisees with
3 an Operation and Training Manual, which was also referred to as a Recipes and Training Manual. Signage
4 on the kiosks included the Yummi Sushi brand and logo.

5 3. Franchisees were required to pay fees to GBC Food Services, LLC, including an initial sign-up
6 fee of between \$3,000 and \$25,000 and a weekly management fee. Franchisees were also required to purchase
7 ingredients and supplies from a vendor list that was provided by GBC Food Services, LLC, or obtain the
8 consent of GBC Food Services, LLC to purchase from other vendors.

9 4. GBC Food Services, LLC included information about franchise opportunities on its website
10 and new kiosk openings were advertised on the company's Facebook page.

11 5. GBC Food Services, LLC did not provide any of the Washington residents with a franchise
12 disclosure document (FDD) prior to executing the written agreements.

13 **Registration Status**

14 6. GBC Food Services, LLC is not currently registered to sell its franchises in the state of
15 Washington and has not previously been so registered. On December 24, 2020, GBC Food Services, LLC
16 filed an initial franchise registration application with the Securities Division (DFI File No. 70017184). To
17 date, that franchise application has not yet been approved.

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

19 **CONCLUSIONS OF LAW**

20 1. The offer or sale of franchises as described above constitutes the offer or sale of a franchise
21 as defined in RCW 19.100.010(6), RCW 19.100.010(12), and RCW 19.100.010(17).
22
23

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

Signed this 25th day of August, 2021

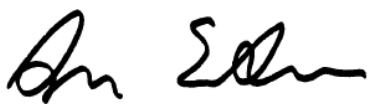
Signed by:
GBC Food Services, LLC d/b/a Yummi Sushi

By /s/
Thein Aung
Co-CEO

SIGNED and ENTERED this 31st day of August, 2021



William M. Beatty
Securities Administrator

Approved by:


Suzanne Sarason
Chief of Enforcement

Presented by:


Robert Kondrat
Financial Legal Examiner

CONSENT ORDER

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760