STATE OF MICHIGAN DEPARTMENT OF ATTORNEY GENERAL



P.O. Box 30736 Lansing, Michigan 48909

DANA NESSEL ATTORNEY GENERAL

March 1, 2021

Fitness Tee Company, L.L.C. Resident Agent: Scott Sandberg 4850 Kendrick St. SE Grand Rapids, MI 49512

Dear Mr. Sandberg:

Re: Fitness Tees Sales

This letter is to provide Fitness Tee Company, L.L.C. notice of intended action in accordance with MCL 445.905(2) and directs you to immediately cease and desist from engaging in the unlawful business practices described below.

As background, this Office is responsible for enforcement of the Michigan Consumer Protection Act, MCL 445.901 *et seq.* Under this Act, the Attorney General may bring injunctive actions to protect the interests of consumers. MCL 445.905.

The Attorney General may also bring a class action lawsuit for money damages on behalf of consumers. MCL 445.910. It has come to this Office's attention that since 2014, you have conducted an online apparel business under the name "Fitness Tees". This online storefront sells clothing items on at least two websites, including www.thefitnessteeco.com and www.fitnessteecompanyoutlet.com. Based on information the Attorney General received through consumer complaints, several consumers placed orders and never received their items after weeks of waiting. Some consumers reached out to your company asking for order updates and shipping information, and other consumers asked for a refund on their items they did not receive. Some consumers did receive products but were unhappy with the quality of the apparel and were unsuccessful in contacting the business for a refund. For example, one consumer provided the Investigator the following photo of a product ordered from Fitness Tees: Scott Sandberg Page 2 March 1, 2021



These consumers had problems reaching anyone at your company or getting any answers. Based on evidence obtained from consumers, the Attorney General has probable cause to believe orders were not being timely fulfilled, some products actually supplied were not consistent with a reasonable expectation of quality, and requests for refunds were not given appropriate attention.

On January 28, 2021, an Investigator from the Attorney General's Office spoke with you on the phone. In this conversation, you acknowledged running Fitness Tees. You also acknowledged that you were experiencing issues with sales and customer service. You stated that you were aware of issues of quality with your products, and that consumers were not receiving their orders in a timely manner. You attributed issues with your company's customer service to a "switchover" in the third party customer service provider. You tied many of the issues your business is experiencing to COVID-19 and cutting back on staffing at the beginning of the pandemic.

Although you admitted that the issues surrounding Fitness Tees exist and not all are remedied, you also stated that you had to continue taking orders to pay for the business expenses. Fitness Tees is still accepting orders when previous orders remain unfulfilled. This was confirmed via documents provided to the Investigator on February 23, 2021.

These facts implicate the following unfair trade practices, as identified in Michigan's Consumer Protection Act (MCPA):

(q) Representing or implying that the subject of a consumer transaction will be provided promptly, or at a specified time, or within a reasonable time, if the merchant knows or has reason to know it will not be so provided.

(s) Failing to reveal a material fact, the omission of which tends to mislead or deceive the consumer, and which fact could not reasonably be known by the consumer.

(u) Failing, in a consumer transaction that is rescinded, canceled, or otherwise terminated in accordance with the terms of an agreement, advertisement, representation, or provision of law, to promptly restore to the person or persons entitled to it a deposit, down payment, or other payment, or in the case of property traded in but not available, the greater of the agreed value or the fair market value of the property, or to cancel within a specified time or an otherwise reasonable time an acquired security interest.

(y) Gross discrepancies between the oral representations of the seller and the written agreement covering the same transaction or failure of the other party to the transaction to provide the promised benefits

[MCL 445.903(1).]

The purpose of this letter is to put you on notice as required by the MCPA. From this point, this Office has the latitude to either commence a lawsuit after ten days or invoke a judicial process for a formal investigation through subpoenas. While we are prepared to follow one or both of these paths, we are willing to enter into an assurance of voluntary compliance—a device anticipated in the MCPA. To facilitate this matter moving forward, please contact our Office by March 10, 2021. You are welcome to, and encouraged, to bring an attorney to this discussion.

We look forward to hearing from you soon.

Sincerely,

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Andrea Moua Assistant Attorney General Corporate Oversight Division (517) 335-7632

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