

BUSINESS. CONSUMER SERVICES, AND HOUSING AGENCY · GOVERNOR EDMUND G. BROWN JR. SPEECH-LANGUAGE PATHOLOGY & AUDIOLOGY & HEARING AID DISPENSERS BOARD 2005 EVERGREEN STREET, SUITE 2100, SACRAMENTO, CA 95815 PHONE (916) 263-2666 FAX (916) 263-2668 WWW.SPEECHANDHEARING.CA.GOV



NEWS RELEASE

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MCDONALD HEARING AID CENTERS SETTLEMENT AGREEMENTS REACHED

Company to pay civil penalties and restitution to consumers; owner and others surrender licenses

SACRAMENTO, Calif. — The California Department of Consumers Affairs' (DCA) Speech-Language Pathology, Audiology and Hearing Aid Dispensers Board has announced a settlement in a civil complaint filed against McDonald Hearing Aid Center Inc., its owners, and eight other defendants.

"The settlement means consumers who were victims of fraud and deception—many of whom are part of the state's vulnerable elderly population—will receive restitution," said board Executive Officer Paul Sanchez. He added that the positive outcome resulted from a collaborative effort with DCA's Division of Investigation, five district attorneys offices, and the California Attorney General's Office.

The civil suit was filed in December 2016 in Sacramento County Superior Court by the Sacramento, Contra Costa, Sonoma, Yolo and Placer county district attorneys offices. The defendants were charged with fraud, deceptions, misrepresentation, false advertising, and unlawful and unfair business practices that targeted senior citizens and people with hearing loss.

The suit named McDonald Hearing Aid Center Inc., owners Mark Lee Moore and Kimberly Moore, McDonald Hearing Foundation Inc. and Moore Family Hearing Company Inc. Also named were Moore Corporate Enterprises, which operated approximately 18 retail stores selling hearing aids throughout Northern California, as well as the Moores and their son, Matthew Moore, as owners of Innerscope Advertising Agency Inc. and Innerscope Advertising Agency LLC, two companies which created advertising for McDonald Hearing Aid Center. The suit also named Elite Consultants Inc. of Redding, its president Gregory Edward Scott and vice president Ashley Brown, who acted as salespersons for McDonald Hearing Aid Centers.

The settlement included an injunction preventing the defendants from engaging in the practice of selling or fitting hearing aids without being fully licensed to do so, and from using deceptive or misleading advertising and other restrictions. The defendants also agreed to pay \$100,000 to the board for the cost of the investigation and a civil penalty of \$100,000 to each of the five district attorneys offices.

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In a separate administrative action, the board obtained the surrender of the hearing aid dispenser licenses of Mark Lee Moore, Elite Consultants president Gregory Edward Scott, and McDonald Hearing Aid Center employees Marion Nelson and Melissa K. Peacock. The board also placed the hearing aid dispenser licenses of McDonald Hearing Aid Center employees Robert Bennett, Michele Moreland and Christopher M. Simon on probation for five years.

Two more settlements involving Elite Consultants, Scott, and Brown were also finalized in June and August of 2017 requiring restitution payments to the board and the district attorneys offices. These settlements include an injunction preventing the defendants from fitting and selling hearing aids unless properly licensed and from offering hearing aid products for sale in order to entice a consumer into a transaction that is different from what was originally represented.

Sanchez noted that the board has contacted all affected consumers, but anyone else who believes they are eligible for restitution that has not been contacted should contact the board. Eligible clients are those who purchased products from January 1, 2011, to March 15, 2017, and requested a refund within the warranty period and were denied a refund, and/or those who requested cancellation prior to the delivery of the products and were charged a cancellation fee.

The board's disciplinary decisions can be read on its website at <u>www.speechandhearing.ca.gov</u> and are also listed here:

Public Record Document:Moore AccusationPublic Record Document:Moore Decision and OrderPublic Record Document:Simon AccusationPublic Record Document:Simon Decison and OrderPublic Record Document:Scott AccusationPublic Record Document:Peacock AccusationPublic Record Document:Peacock AccusationPublic Record Document:Peacock Decision and OrderPublic Record Document:Moreland AccusationPublic Record Document:Moreland Decision and OrderPublic Record Document:Bennett AccusationPublic Record Document:Bennett Decision and OrderPublic Record Document:Bennett Decision and OrderPublic Record Document:Nelson AccusationPublic Record Document:Nelson AccusationPublic Record Document:Nelson Accusation

ABOUT THE BOARD: The Speech-Language Pathology and Audiology and Hearing Aid Dispensers Board regulates the practices of speech-language pathology, audiology, and hearing aid dispensing in California by licensing those who meet minimum standards of competency. Among its functions, the board promulgates laws and regulations; issues, renews, suspends, and revokes licenses; and imposes disciplinary sanctions when necessary.

ABOUT THE DEPARTMENT OF CONSUMER AFFAIRS: The Department of Consumer Affairs (DCA) promotes and protects the interests of California consumers while ensuring a competent and fair marketplace. DCA helps consumers learn how to protect themselves from unscrupulous and unqualified individuals. The department also protects professionals (licensees) from unfair competition by unlicensed practitioners. Consumers can file complaints against licensees by contacting DCA at (800) 952-5210. Consumers can also file a complaint online at dca.ca.gov.