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**STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS**

TO: Joey’s Smokin’ BBQ Franchising, Inc.
Joey’s Smokin’ BBQ, Inc
www.joeyssmokinbbq.com
Joseph Maggiore
6955 El Camino Real
Suite 107
Carlsbad, CA 92009

DESIST AND REFRAIN ORDER

(For violations of sections 31110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Joseph Maggiore (“Maggiore”) was a president, principal and control person of Joey’s Smokin’ BBQ Franchising, Inc., a California corporation, which was formed on, or about November 6, 2009. Maggiore also is the control person and principal of Joey’s Smokin’ BBQ, Inc. and the Internet website located at: <http://www.joeyssmokinbbq.com>.
2. Joey’s Smokin’ BBQ Franchising, Inc. is operated by Maggiore from: 6955 El Camino Real, Suite 107, Carlsbad, California 92009.
3. There are at least 7 separate Joey’s Smokin’ BBQ restaurants in Southern California.
4. Joey’s Smokin’ BBQ Franchising, Inc. and Maggiore have entered into “License Agreements” on at least two separate occasions purporting to grant those persons the right to engage in the business of operating restaurants under the name and logo of Joey’s Smokin’ BBQ. In both agreements Maggiore is referred to as the “Owner” and the other party is referred to as the “Licensee”.

1 5. The “License Agreements” not only grant each individual the right to engage in the
2 business of operating a Joey’s Smokin’ BBQ restaurant, but also purports to grant the individual the
3 right to engage in that business under a marketing plan or system prescribed in substantial part by
4 Maggiore and Joey’s Smokin’ BBQ Franchising, Inc. This marketing plan/system is evidenced by
5 Maggiore’s and Joey’s Smokin’ BBQ Franchising, Inc.’s comprehensive advertising scheme that
6 identifies the restaurant location and prohibits advertising without the prior approval of Maggiore and
7 Joey’s Smokin’ BBQ Franchising, Inc.
8

9 6. Maggiore and Joey’s Smokin’ BBQ Franchising, Inc. also reserve the right in the
10 “License Agreement” to inspect the location; prescribe operating techniques; set and enforce quality
11 standards; and prescribe employee standards (per the Joey’s Smokin’ BBQ “Employee Handbook”).
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13 7. The “License Agreements” clearly allow/mandate the use of the commercial symbols
14 of Joey’s Smokin’ BBQ Franchising, Inc. This is evidenced by Maggiore and Joey’s Smokin’ BBQ
15 Franchising, Inc.’s directions for use of trade names, trade marks, trade dress (including the use of
16 uniforms, signs, menus and décor).
17

18 8. Finally, the “License Agreement” explicitly mandates a monthly fee of 6% of the
19 gross sales for the restaurant.
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21 9. Maggiore and Joey’s Smokin’ BBQ Franchising, Inc. operate an Internet website:
22 <http://www.joeyssmokinbbq.com/>. As late as February 2010, Maggiore and Joey’s Smokin’ BBQ
23 Franchising, Inc. had a web-page within their web-site which advertised a “Franchise Opportunity”
24 for those interested. The current website now promotes a “Restaurant Opportunity”
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26 10. The “License Agreements” referred to herein constitute a “franchise” as defined by
27 California Corporations Code section 31005.
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11. These franchises were offered and sold within this state.

