

1 KAMALA D. HARRIS
Attorney General of California
2 ARMANDO ZAMBRANO
Supervising Deputy Attorney General
3 LINDA L. SUN
Deputy Attorney General
4 State Bar No. 207108
300 So. Spring Street, Suite 1702
5 Los Angeles, CA 90013
Telephone: (213) 897-6375
6 Facsimile: (213) 897-2804
Attorneys for Complainant

7
8 **BEFORE THE**
DEPARTMENT OF CONSUMER AFFAIRS
9 **FOR THE BUREAU OF ELECTRONIC AND APPLIANCE REPAIR, HOME**
10 **FURNISHINGS AND THERMAL INSULATION**
11 **STATE OF CALIFORNIA**

12 In the Matter of the Statement of Issues
Against:

Case Nos. AN 2014-341; AN-2014-342

13 **JOHN FOTO; SANTA FE SECONDS**

STATEMENT OF ISSUES

14 **Furniture Retailer License Applicant**

15 Respondent.

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18 Complainant alleges:

19 **PARTIES**

20 1. Justin Paddock (Complainant) brings this Statement of Issues solely in his official
21 capacity as the Acting Chief of the Bureau of Electronic and Appliance Repair, Home Furnishings
22 and Thermal Insulation (Bureau), Department of Consumer Affairs.

23 2. On or about April 24, 2014, the Bureau received an Application for License – Home
24 Furnishings from John Foto dba Santa Fe Seconds (Respondent) at 645 N. Avalon Boulevard,
25 Wilmington, CA 90744. On or about April 21, 2014, John Foto certified under penalty of perjury
26 to the truthfulness of all statements, answers, and representations in the application. The Bureau
27 denied the application on August 28, 2014.

1 Part 3 of the Penal Code or that he or she has been convicted of a misdemeanor if he or she has
2 met all applicable requirements of the criteria of rehabilitation developed by the board to evaluate
3 the rehabilitation of a person when considering the denial of a license under subdivision (a) of
4 Section 482.

5 "(c) A board may deny a license regulated by this code on the ground that the applicant
6 knowingly made a false statement of fact required to be revealed in the application for the license."

7 **CAUSE FOR DENIAL OF APPLICATION**

8 **(Criminal Convictions)**

9 6. Respondent's application is subject to denial pursuant to Code section 480, subdivision
10 (a)(1), in that Respondent was convicted of crimes substantially related to the qualifications,
11 functions or duties of a Furniture Retailer, as follows:

12 a. On or about May 25, 2012, after pleading *nolo contendere*, Respondent was
13 convicted of one misdemeanor count of violating Penal Code section 350, subdivision (a)(2)
14 [manufacture/sell/possess counterfeit goods, 1,000 + articles], in the criminal proceeding entitled
15 *The People of the State of California v. John Philip Foto II* (Super. Ct. Los Angeles County,
16 2009, No. 2DY00332). The court placed Respondent on probation for a period of 36 months and
17 fined him. The circumstances surrounding the conviction are that in or about 2009, Respondent
18 knowingly possessed for sale counterfeit Ed Hardy brand named clothing at his store in Santa Fe
19 Outlets.

20 b. On or about April 15, 2002, after pleading *nolo contendere*, Respondent was
21 convicted of one misdemeanor count of violating Penal Code section 242 [battery], in the criminal
22 proceeding entitled *The People of the State of California v. John Philip Foto II* (Super. Ct. Los
23 Angeles County, 2001, No. 2SG00095). The court placed Respondent on probation for a period
24 of 36 months and fined him. The circumstances surrounding the conviction are that on or about
25 December 21, 2001, the Respondent used force and violence on a customer over a pricing dispute
26 on a piece of clothing item.

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28 **DISCIPLINE CONSIDERATIONS**

1 7. To determine the degree of discipline imposed, Complainant further alleges the
2 following:

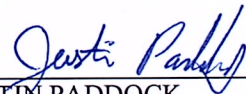
3 a. On or about April 25, 2014, in a prior disciplinary action entitled “*In the Matter of the*
4 *Statement of Issues Against John Foto; Santa Fe Seconds*” before the Bureau in Case Number
5 AN 2012-36, Respondent's application for a furniture and bedding retailer license was granted,
6 immediately revoked, and placed on probation for three (3) years subject to terms and conditions.
7 That Decision is now final and is incorporated by reference as if fully set forth.

8 **PRAYER**

9 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
10 and that following the hearing, the Director of Consumer Affairs issue a decision:

- 11 1. Denying the application of John Foto; Santa Fe Seconds for a Furniture Retailer
12 License;
13 2. Taking such other and further action as deemed necessary and proper.

14 DATED: **JAN 30 2015**

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16 JUSTIN PADDOCK
17 Acting Chief
18 Bureau of Electronic and Appliance Repair, Home
19 Furnishings and Thermal Insulation
20 Department of Consumer Affairs
21 State of California
22 *Complainant*

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