

BEFORE THE
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES
STATE OF WISCONSIN

In the Matter of
THE BASKET CONNECTION
and JOANNE WINTHROP,

PETITION FOR ORDER
(SUMMARY)

Respondents.

File S-98244(FX)

The staff of the Enforcement Unit, Registration & Enforcement Section, of The Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 553.55, Wis. Stats., and as a result thereof alleges as follows:

1. Joanne Winthrop ("Winthrop"), is an individual, with a last known business address of 20959 South Springwater Road, Estacada, Oregon 99703.
2. The Basket Connection, Inc. ("Basket"), is a foreign business entity, with a last known business address of 20959 South Springwater Road, Estacada, Oregon 99703.
3. At all times material hereto, Winthrop has been President of Basket.
4. In approximately May, 1997, after responding to an advertisement in a Wisconsin newspaper, a person in Wisconsin received a "Complete Start-Up System" manual and an Introduction to the Basket Connection" video.
5. In approximately May, 1997, the Wisconsin investor received an Agreement which was signed by Winthrop on behalf Basket on June 23, 1997.
6. The Wisconsin investor signed the Agreement on July 11, 1997 and returned it to Basket with a check in the amount of \$3,495.
7. The Agreement signed by the Wisconsin investor granted the investor the right to use Basket's marketing plan or system.
8. The Agreement signed by the Wisconsin investor granted the purchaser, with prior written permission of Basket, the right to use any tradenames or trademarks of Basket.
9. The Wisconsin investor in at least one telephone conversation with Winthrop was told by Winthrop the investor could use the trademarks and even the name of Basket in her business without obtaining written permission.
10. The Wisconsin investor on at least one occasion has corresponded with Basket using stationery with the logo of Basket on it.
11. The Agreement received by the Wisconsin investor stated the purchaser shall pay to Basket the sum of \$3,495, but receives only \$750 worth of retail value material.

