

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

In the Matter of
MIDWEST LABOR SERVICES, INC.
And STEVEN D. MANSKE,

PETITION FOR ORDER
(CONSENT)

Respondents.

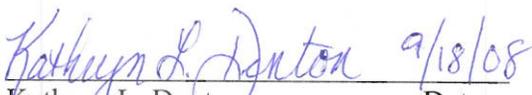
File No. S-08088(FX)

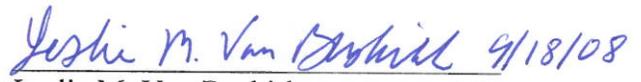
The staff of the Bureau of Enforcement of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to §553.55, Wis. Stats., and as a result thereof alleges as follows:

1. Midwest Labor Services, Inc. ("MLS") is a Wisconsin corporation with a last known business address of 4102 Veith Avenue, Madison, Wisconsin 53407.
2. Steven D. Manske ("Manske") is an individual with a last known business address of 4102 Vieth Avenue, Madison, Wisconsin 53407, and has been President of MLS at all times material hereto.
3. Upon information and belief, in the fall of 2003, an investor in Wisconsin was contacted by Manske, and provided with the Midwest Labor Services, Inc. Agreement ("Agreement") offering to sell a business opportunity for the business location that encompassed Fond du Lac County in Wisconsin..
4. Upon information and belief, the Purchase Agreement ("Purchase Agreement") signed and accepted on October 15, 2003 stated the purchase price of the franchise for Fond du Lac County was \$50,000 with installments of \$383.62 payable each week thereafter for a period of one hundred forty four (144) weeks.
5. Upon information and belief, the Agreement stated the person in Wisconsin was to sign a licensing agreement with MLS permitting the purchaser to use the Trade Name of Midwest Labor, a trademark of MLS.
6. Upon information and belief, the Agreement stated the person in Wisconsin was to operate under full compliance with Resource Funding Group Policies and Procedures. The person in Wisconsin received a copy of the Midwest Labor, Inc. Employee Handbook dated May 2002, a binder entitled Countdown to Success, a Midwest Labor/Hospitality Staffing Sales Packet dated June 8, 2003 and a copy of the RFG Resource Funding Group Operations Procedures from Manske.

7. Upon information and belief, MLS and Manske the materials described in paragraph 6 above constitute a marketing plan or system prescribed or suggested in substantial part.
8. Upon information and belief the franchise was sold to the person in Wisconsin based on representations that it was a "turnkey" operation in every respect, from a customer base, to equipment, to marketing, to training, to computer software programs.
9. Since the person in Wisconsin paid a fee for the right to do business as Midwest Labor Services, Inc., will operate the business according to a prescribed marketing plan, and will operate the business using the trademark "Midwest Labor Services, Inc.," the "business opportunity" described in the paragraphs above is a franchise as defined by §553.03(4), Wis. Stats.
10. Respondents have violated §553.21, Wis. Stats., which states no person may sell in this state any franchise unless the franchise has been registered under this chapter or is exempted under §553.23, §553.235 or §553.25.
11. Respondents have violated §553.27(4), Wis. Stats., by selling a franchise in this state without providing a copy of an offering circular to the prospective franchisee within at least ten business days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least ten business days prior to the receipt of any consideration, whichever first occurs.

Therefore, the staff of the Bureau of Registration and Enforcement petitions the Administrator of the Division of Securities for the issuance of the attached order pursuant to Ch. 553, Wis. Stats.


Kathryn L. Denton Date
Senior Examiner
Bureau of Enforcement


Leslie M. Van Buskirk Date
Attorney Supervisor
Bureau of Enforcement