



**Office of the Attorney
General
Paul G. Summers**

**Department of Commerce
and Insurance**

Commissioner Paula Flowers

NEWS RELEASE



FOR IMMEDIATE RELEASE	CONTACT:
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ATTORNEY GENERAL FILES SUIT, ENTERS AGREEMENT WITH OUT-OF-STATE FLORAL ORDER GATHERER FOR ALLEGED MISLEADING CLAIMS

If you ordered flowers through Teleflorist, Inc., you may be eligible for a refund as the result of an agreement between the State and the floral order gatherer, who allegedly misrepresented it was a local Tennessee business in thirty-nine cities in Tennessee.

Attorney General Paul G. Summers has filed suit and reached an agreement on behalf of the Division of Consumer Affairs with Teleflorist, Inc. of Southampton, Penn. Teleflorist conducted business in Tennessee through over fifty assumed names that implied a connection to a local city in the state from December 2005 to September 19, 2006. Teleflorist has stopped representing itself as local Tennessee businesses as a result of the State's action.

In addition, the company has agreed to give every Tennessean who placed an order with Teleflorist \$40 as restitution. This amounts to a total of \$16,000 for 413

consumers. Teleflorist, Inc. must also pay \$13,000 to the State for civil penalties, attorneys' fees and costs. Each consumer who purchased through Teleflorist, Inc. will receive a letter from the Attorney General and the Director of the Division of Consumer Affairs with a refund claim form. The consumer must return the claim form by post-marking it within 90 days of the date Teleflorist mails the refund claim form in order to be eligible for the refund.

"We are pleased to announce this agreement," said Tennessee Attorney General Paul G. Summers. "Some order gatherers take advantage of consumers who are attempting to do business with their local florist. We want to make sure consumers know who they are dealing with when they make a purchase, particularly with one that is intended to have a special meaning for the recipient. We welcome all businesses in Tennessee and appreciate Teleflorist coming forward to take corrective action and address our concerns."

In Tennessee, Teleflorist operates as a floral order gatherer, which means it does not have a physical office in Tennessee, does not create floral arrangements in Tennessee, and does not keep flowers in inventory in Tennessee. Instead, order gatherers act as brokers who refer orders received to other florists for fulfillment according to the fee structure imposed by the wire service agreements of such companies as Teleflora and FTD. Order gatherers receive a sizable portion of the total cost of the order simply for taking and referring an order to actual florists. As a result of this fee structure, a consumer usually receives fewer flowers or less expensive flowers than they would doing business with a local florist.

Teleflorist advertised in a several ways including in the Yellow Pages, claiming to be a local business, in Alcoa, Brentwood, Bristol, Clarksville, Cleveland, Clifton, College Dale, Collierville, Columbia, Dayton, Dickson, Fayetteville, Franklin, Germantown, Jackson, Jefferson City, Knoxville, Lenoir City, Lewisburg, Lexington, Maryville, Memphis, Milan, Morristown, Murfreesboro, Nashville, Oak Ridge, Paris, Pulaski, Ripley, Sandy Springs, Savannah, Sevierville, Shelbyville, Smyrna, Springfield, Springhill, Union City and White House. Teleflorist does operate a floral shop in Pennsylvania and voluntarily entered into the Agreement. Pursuant to the Agreement, Teleflorist admits no wrongdoing.

Teleflorist's telephone listings used Tennessee town or city names followed by an alias which gave the consumer the impression that the florist was local. For example, Teleflorist advertised in the current BellSouth Yellow and White Pages as follows: **Franklin Florist In Franklin.com 595-5584**. However, Teleflorist was not located in Franklin, Tennessee. Some consumers called this number and others like it assuming they were speaking with their local florist when they were really speaking with someone in a call center over eight hundred miles away.

Consumers who have complaints against floral order gatherers should contact the Division of Consumer Affairs at 1-800-342-8385 (toll-free inside Tennessee) or (615) 741-4737.