

**IN THE COURT OF COMMON PLEAS OF DELAWARE COUNTY
CIVIL TRIAL DIVISION**

COMMONWEALTH OF PENNSYLVANIA	:	
By Attorney General Josh Shapiro,	:	
	:	No. CV-2021-006914
Plaintiff,	:	
v.	:	
	:	
1843, LLC, d/b/a Limestone by Stefan;	:	CIVIL ACTION – EQUITY
GREGORY J. STEFAN, SR., individually and	:	
d/b/a Limestone by Stefan;	:	
GREGORY J. STEFAN, JR., individually,	:	
d/b/a Limestone by Stefan, and	:	
GERARD STEFAN, individually	:	
d/b/a Limestone by Stefan,	:	
	:	
Defendants.	:	
	:	

ORDER

And now, this _____ day of _____, 2022, it is hereby ORDERED and DECREED that a hearing shall be held on the _____ day of _____, 2022, at _____ am/pm in Courtroom No. _____, of the Delaware County Court House, 201 West Front Street, Media, Pennsylvania 19063, regarding the Commonwealth of Pennsylvania’s Petition for Preliminary Injunction.

BY THE COURT:

J.

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GERARD STEFAN, individually	:	
d/b/a Lifestone by Stefan,	:	
	:	
Defendants.	:	
	:	
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ORDER

AND NOW, this _____ day of _____, 2022, upon consideration of the Commonwealth’s Petition for Preliminary Injunction, and any response thereto, it is hereby ORDERED that the Petition is GRANTED. It is further ORDERED that:

1) Defendant 1843, LLC d/b/a Lifestone by Stefan (hereinafter “1843”) and its agents, attorneys, servants, employees, subcontractors and any other persons in active concert or participation with Defendant 1843 who receive actual notice of this Order SHALL be preliminarily restrained and enjoined from engaging in any trade and/or commerce within the Commonwealth of Pennsylvania or with consumers residing in the Commonwealth of Pennsylvania involving the advertising, marketing, or selling of cemetery markers and/or memorials and/or related services to consumers, including but not limited to, monument and marker engraving and lettering (hereinafter “Cemetery Memorial Products”).

2) Defendants Gregory J. Stefan, Sr., Gregory J. Stefan, Jr. and Gerard Stefan (hereinafter the “Stefan Defendants”) and their agents, attorneys, servants, employees, subcontractors and any other persons in active concert or participation with the Stefan Defendants who receive actual notice of this Order SHALL be preliminarily restrained and enjoined from engaging in trade and/or commerce within the Commonwealth of Pennsylvania or with consumers residing in the Commonwealth of Pennsylvania, in any ownership or managerial capacity, including but not limited to, as owner, registered agent, stockholder, partner, member of a limited liability company, principal, director, manager, project manager, contractor or subcontractor, of any business other than 1843, LLC that sells Cemetery Memorial Products.

3) The Stefan Defendants are preliminarily enjoined and prohibited from engaging in the following conduct as it pertain to any business other than 1843 LLC that sells Cemetery Memorial Business Products:

- a. Exercising any control or decision-making authority over such business;
- b. Controlling or participating in the collection or expenditure of monies related to the activities of such business; and
- c. Having any contact or interaction with consumers or being involved in any way in the advertising, marketing, selling or providing of Cemetery Memorial Products.

4) Defendant 1843 and the Stefan Defendants are not enjoined from transacting with other businesses or vendors, however any contact or interaction with consumers located in Pennsylvania is prohibited, including but not limited to contact or interaction with consumers related to advertising, marketing, or selling of Cemetery Memorial Products. Nothing in this injunction shall prohibit Defendant 1843 and the Stefan Defendants from fulfilling orders for

Cemetery Memorial Products already placed with Defendant 1843. The exceptions to this injunction set forth herein is subject to Defendants' compliance with the laws of the Commonwealth of Pennsylvania.

BY THE COURT:

J.

Debra Djupman Warring
 Deputy Attorney General
 Attorney I.D. #206437
 Pennsylvania Office of Attorney General
 1600 Arch Street, Suite 300
 Philadelphia, Pennsylvania 19103
 (215) 560-2930
Attorney for Plaintiff

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	:	
Defendants.	:	

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COMMONWEALTH’S PETITION FOR PRELIMINARY INJUNCTION

AND NOW, comes the Commonwealth of Pennsylvania, by Attorney General Josh Shapiro (“Commonwealth”), and respectfully files this Petition for Preliminary Injunction, pursuant to the Pennsylvania *Unfair Trade Practices and Consumer Protection Law*, 73 P.S. §§ 201-1, *et seq.*, and Pennsylvania Rule of Civil Procedure 1531, and represents the following:

INTRODUCTION

1. This Petition concerns the improper conduct of a father and two sons operating family businesses that sell cemetery markers and monuments in and around Delaware County, Pennsylvania. Defendants Gregory Stefan, Sr., Gregory Stefan, Jr., and Gerard Stefan (collectively the “Stefans” or “Stefan Defendants”) engaged in the business of advertising, marketing, selling and/or providing cemetery markers and memorials and related services to consumers, including, but not limited to monument and marker engraving and lettering (“Cemetery Memorial Products”). In short, the Stefans repeatedly took money from multiple consumers and then failed to deliver as promised these highly personal and important goods and services. The Commonwealth of Pennsylvania petitions this Court to preliminarily enjoin Defendant 1843, LLC and the Stefan Defendants from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers during the pendency of the instant litigation.

2. The Commonwealth brings this Petition pursuant to Pennsylvania’s *Unfair Trade Practices and Consumer Protection Law* (“*Consumer Protection Law*”), 73 P.S. §§ 201-1, *et seq.*, and Pennsylvania Rule of Civil Procedure 1531.

3. Petitioner is the Commonwealth of Pennsylvania, by Attorney General Josh Shapiro (“Commonwealth”), with offices located at 1600 Arch Street, Suite 300, Philadelphia, Pennsylvania, 19103.

4. Defendant 1843, LLC (“1843”) is a Pennsylvania limited liability company registered with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations: Corporations Section (“Corporations Bureau”), with a registered office address of 8501 North Lansdowne Avenue, Upper Darby, Pennsylvania 19082. Upon information and belief, Defendant 1843 operates from locations at 101 W. Eagle Road, Suite 214, Havertown,

Pennsylvania 19083 and/or 1000 Cedar Avenue, Darby, Pennsylvania 19023. Upon information and belief, Defendant 1843 also does business under the registered fictitious name “Lifestone by Stefan.”

5. Defendant Gregory J. Stefan, Sr. (“Stefan, Sr.”) is an adult individual, and upon information and belief, and at various times relevant hereto, did business under and/or through Defendant 1843 and under the registered fictitious name of “Lifestone by Stefan.” Upon information and belief, at various times relevant hereto, Defendant Stefan, Sr. conducted business at 101 W. Eagle Road, Suite 214, Havertown, Pennsylvania 19083 and/or 1000 Cedar Avenue, Darby, Pennsylvania 19023.

6. Defendant Gregory J. Stefan, Jr. (“Stefan, Jr.”) is an adult individual, and upon information and belief, did and does business under and/or through Defendant 1843 and under the registered fictitious name of “Lifestone by Stefan.” Upon information and belief, Defendant Stefan, Jr. conducts and conducted business at 101 W. Eagle Road, Suite 214, Havertown, Pennsylvania 19083 and/or 1000 Cedar Avenue, Darby, Pennsylvania 19023.

7. Defendant Gerard Stefan, (“Gerard Stefan”) is an adult individual, and did and does business under and/or through Defendant 1843 and did and does business under the registered fictitious name of “Lifestone by Stefan.” Upon information and belief, Defendant Gerard Stefan conducts and conducted business at 101 W. Eagle Road, Suite 214, Havertown, Pennsylvania 19083 and/or 1000 Cedar Avenue, Darby, Pennsylvania 19023.

8. The Commonwealth petitions this Court for preliminary injunctive relief to halt Defendants’ ongoing unfair and deceptive conduct in violation of the *Consumer Protection Law*. The Stefan Defendants and their multiple family-owned cemetery memorial businesses have a lengthy history of harming Pennsylvania consumers. Since 2010, more than six hundred (600)

consumers have filed complaints with the Bureau of Consumer Protection (hereinafter “Bureau”) alleging that the Stefans failed to deliver the goods and services for which the consumers contracted and paid.

9. The Stefans sold cemetery markers and associated services to consumers who had recently lost a family member. Consumers report that the Stefans met them at their homes or their loved ones’ burial sites, offered heartfelt personal sympathies, developed customized memorial designs, and promised to timely deliver fitting tributes to their loved ones.

10. In some instances, the Stefans gained consumers’ trust by representing—falsely—that they were affiliated with the cemetery, funeral home, or church that provided services to the deceased’s family. The Stefans eagerly accepted payments of several thousands of dollars from these grieving families for Cemetery Memorial Products, yet in the end failed to follow through with delivery of the headstones they sold.

11. The Stefan Defendants’ failure to timely deliver the cemetery memorials their customers ordered and paid for goes far beyond ordinary unexpected delays. Though the Stefans devoted substantial efforts to gaining the trust of potential customers, once the sale was closed, they essentially ignored the customers’ needs. Hundreds of the Stefans’ customers have been waiting for *multiple years* for delivery of headstones to commemorate their loved ones. When questioned by frustrated family members, the Stefans offered nothing but a series of misrepresentations or vague excuses as to why their orders had not be fulfilled.

12. The Commonwealth has brought two civil lawsuits alleging that the Stefans and their companies engaged in unfair and deceptive acts and practices that violate the *Consumer Protection Law*—one suit filed in 2015 against Stefan Memorials, Inc., Lifestone by Stefan, LLC, and Gregory Stefan, Sr. (the “Lifestone Litigation”) and the instant litigation filed in 2021

against 1843 LLC, Gregory Stefan, Sr., Gregory Stefan, Jr., and Gerard Stefan (the “1843 Litigation”).

13. The Lifestone Litigation was resolved in 2018 via a consent judgment and order of the court that required payment of consumer restitution, civil penalties, and costs. The Lifestone Litigation defendants failed to honor their obligations under this consent judgment, and the Commonwealth petitioned the Court in 2020 to hold them in contempt. The Commonwealth’s petition was resolved via a stipulated contempt order under which the Lifestone Litigation defendants agreed to stop selling Cemetery Memorial Products in Pennsylvania. Nearly four years after the entry of judgment, the restitution owed to consumers under the Lifestone Litigation consent judgment remains unsatisfied.

14. Notwithstanding the Lifestone Litigation, the Stefans did not modify their practices to deal honestly and fairly with consumers; rather, they simply transitioned their operations from a company in litigation to a newly formed business.

15. This Court’s intervention is now necessary because the Stefans’ well-established pattern of moving operations to a new company is occurring yet again. In just the past year, the Stefans have formed business relationships with a new company that sells Cemetery Memorial Products, “Colonial Memorials.”

16. In recent months, the Bureau has received consumer complaints against Colonial Memorials alleging conduct similar to that involved in the Lifestone Litigation and the 1843 Litigation—consumers purchase headstones from Colonial that are not delivered in a timely manner. These recent reports show that there is a strong likelihood of serious irreparable harm to consumers if the Stefans can continue to do business as usual during the course of the pending litigation.

17. The Commonwealth is therefore petitioning this Court to preliminarily enjoin Defendant 1843 and the Stefan Defendants from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers until the merits of the instant 1843 litigation have been adjudicated.

FACTUAL BACKGROUND

18. The Stefan Defendants have used a variety of business names to sell Cemetery Memorial Products, including but not limited to, Stefan Memorials, Inc., Lifestone by Stefan, LLC, Stefan Memorial Group, The Memorial Company, Gallagher Memorials, Alessi Memorials, 1843, LLC, 1843 Memorials/Cartledge, and 1843 New Britain/Quakertown Memorials.

19. As family-run businesses, Stefan, Sr., Stefan, Jr. and/or Gerard Stefan supervised, controlled, approved, authorized, ratified, exercised control over and/or participated in the day-to-day operations of these companies.

20. The Bureau has received consumer complaints about businesses owned by the Stefans dating as far back as 2010.

21. From 2010 through 2015, the Bureau received numerous consumer complaints against Lifestone by Stefan, LLC, Stefan Memorials, Inc., and Gregory Stefan, Sr. (collectively, the “Lifestone Defendants”).

22. After investigating these complaints, the Commonwealth filed suit against the Lifestone Defendants on October 28, 2015 in the Delaware County Court of Common Pleas (the “Lifestone Litigation”). A copy of the complaint filed in the Lifestone Litigation (the “Lifestone Complaint”) is attached as Exhibit “A.”

23. In the Limestone Complaint, the Commonwealth alleged that Defendants engaged in multiple unfair or deceptive acts and practices. The Limestone Defendants told consumers that lettering, inscriptions, markers or monuments they had purchased would be completed and installed within a certain specified time frame. *See* Limestone Complaint ¶¶ 16-17. However, in certain instances, the Limestone Defendants were significantly late in providing or delivering the services or the markers or memorials, or completely failed to provide services or products at all. *See id.*, ¶ 20. In certain instances, when consumers inquired about the delay, the Limestone Defendants provided misleading, confusing or false information, explanations and excuses. *See id.*, ¶ 21. The Commonwealth further alleged that the Limestone Defendants failed to comply with or follow through on representations made to consumers regarding completion or delivery dates and refunds with regards to the goods and services contracted to be performed and delivered. *See id.*, ¶¶ 22-23. The Commonwealth also alleged that the Limestone Defendants represented to certain consumers that they were affiliated, connected or associated with the cemetery in which the consumer's loved one was buried when they were not. *See id.*, ¶ 18. Where the Limestone Defendants did complete customer orders, the Commonwealth alleged that they provided memorials or lettering which were of a lesser quality, were defective, or were not properly installed. *See id.*, ¶ 24.

24. In the Limestone Complaint, the Commonwealth alleged that the Defendants' conduct violated the Section 201-3 of the *Consumer Protection Law* by: 1) causing a likelihood of confusion or misunderstanding as to the source, sponsorship, approval or certification of goods or services; 2) representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or qualities that they do not have or that a person has sponsorship, approval, status, affiliation or connection that he does not have; 3) advertising

goods or services with intent not to sell them as advertised; and 4) engaging in other fraudulent or deceptive conduct which creates a likelihood of confusion or misunderstanding. *See* 73 P.S. § 201-2(4)(ii), (v), (ix), (xxi). *See* Lifestone Complaint, ¶¶ 33-48.

25. On August 10, 2018, nearly three years after the commencement of the Lifestone Litigation, the Commonwealth and the Lifestone Defendants entered into a judgment by consent to resolve the lawsuit (the “Consent Judgment”). A copy of the Consent Judgment is attached hereto as Exhibit “B.” The Consent Judgment was entered as an order of the Court on August 16, 2018.

26. Under its terms, the Lifestone Defendants agreed to injunctive relief including: 1) clearly and conspicuously disclosing certain information on their advertisements and contracts for consumers (Exh. B. ¶ III.C, D, E, and F); 2) delivering goods and services within the time frame specified in contracts with consumers (¶ III.G); 3) paying refunds to consumers where delivery is not made within a specified time frame (¶ III.I); 4) refraining from claiming to be connected with a cemetery or other organization when they are not (¶ III.J); 5) refraining from providing misleading, confusing, or false information to consumers who inquire about goods and services provided by the Lifestone Defendants and any delay in the provision of goods and services (¶ III.K); and 6) complying with the *Consumer Protection Law* in their business dealings (¶¶ III.A, B).

27. In addition to the injunctive relief in the Consent Judgment, the Lifestone Defendants agreed to fulfill customer orders from the agreed upon List of Undelivered Goods and Services by certain specified deadlines ending on January 31, 2019. (Exh. B ¶ IV.A.1). The Consent Judgment provided that if the Lifestone Defendants did not meet the January 21, 2019 deadline, they would be liable for payment of monetary restitution which would be distributed to

consumers by the Commonwealth. (¶ IV.A.2). In addition, the Lifestone Defendants agreed to pay \$25,000.00 to the Commonwealth to pay part of the costs of investigation and litigation, along with \$10,000.00 in civil penalties, which were to be paid in monthly installments. (¶ IV.C). The Consent Judgment also provided for suspended civil penalties in the amount of \$50,000.00, which were to remain suspended so long as the Lifestone Defendants remained in compliance with terms of the Consent Judgment. (¶ IV.D).

28. Despite agreeing to the terms of the Consent Judgment, the Lifestone Defendants failed to perform their obligations under the Court's order. Specifically, the Lifestone Defendants failed to provide proof that certain goods and services were delivered to consumers on or before the deadlines specified in the Consent Judgment. Further, the Lifestone Defendants failed to pay the agreed upon restitution for orders that were not completed by February 28, 2019. Also, the Lifestone Defendants failed to make the monthly payments toward costs and civil penalties required under the Consent Judgment.

29. The Commonwealth accordingly filed a Petition for Contempt on February 26, 2020, seeking to hold the Lifestone Defendants accountable for failing to comply with the Consent Judgment. In response to the Petition for Contempt, the Lifestone Defendants entered into a stipulated order of contempt dated January 19, 2021 (the "Stipulated Contempt Order") enforcing the terms of the Consent Judgment. A copy of the Stipulated Contempt Order is attached as Exhibit "C."

30. Specifically, the Stipulated Contempt Order found that the Lifestone Defendants were in violation of the terms of the Consent Judgment and entered judgment jointly and severally against the Lifestone Defendants in the amount of \$383,130.70. Under the terms of the Stipulated Contempt Order, the Lifestone Defendants further forfeited their right to engage in

trade or commerce within Pennsylvania in an ownership or managerial capacity in any business selling Cemetery Memorial Products. Further, Defendant Gregory Stefan, Sr. was permanently enjoined from engaging in certain conduct for any business selling Cemetery Memorial Products including: 1) exercising control or decision making authority over the business; 2) controlling or participating in the collection of monies for the activities of any such business; and 3) having any interactions with consumers or being involved in the marketing, selling or providing Cemetery Memorial Products.¹

31. While the Lifestone Litigation was pending, the Stefan Defendants took quick action to move their business away from the companies involved in the suit. On July 18, 2016, less than a year after the Lifestone Litigation commenced, the Stefans moved their primary Cemetery Memorial Product business from the Lifestone by Stefan companies to 1843, LLC.

32. The Stefans formed 1843, LLC as a Pennsylvania limited liability company with a business address of 8501 North Lansdowne Avenue, Upper Darby, PA 19082. *See* Record of the Pennsylvania Department of State, attached hereto as Exhibit “D.” On October 14, 2016, 1843 registered as the owner of the fictitious name “Lifestone by Stefan.” *See* Record of the Pennsylvania Department of State, attached hereto as Exhibit “E.”

33. After the Stefans formed 1843, the Bureau began receiving complaints from consumers alleging that they purchased Cemetery Memorial Products from 1843, yet failed to receive the goods and services for which they contracted and paid. The complaints involved similar conduct to that alleged in the Lifestone Litigation.

¹ Nothing in the Stipulated Contempt Order restraining the activities of Gregory Stefan Sr. is inconsistent with the preliminary injunction the Commonwealth requests in this Petition.

34. Between November 2018 and August 2021, the Bureau received more than one hundred (100) consumer complaints against 1843 Defendants and the Stefans including the following:

- a) Consumer A lives in Bluffton, South Carolina and entered an arrangement with Defendant 1843 in November of 2016 to provide a memorial stone for her husband's grave site at St. John Neumann Cemetery in Chalfont, PA. The consumer provided a deposit of \$4,000.00 to Defendant 1843 for a memorial stone and agreed to a cost of \$7,942.00 when the memorial was delivered. Consumer A initially met with Defendant Stefan, Jr., chose a design and communicated her wishes for some changes by February of 2017. Over the next two plus years, Defendants were unresponsive to Consumer A's inquires. Consumer A then sent a certified letter to Defendants on February 8, 2019. Defendant Stefan, Sr. called consumer in response, verbally agreeing to consumer's demand that the stone be delivered by a certain date, which date Defendants missed. Consumer A sent a certified letter requesting a full refund of her deposit on March 29, 2019, which she has not received. She stated that she gave up hope on ever getting the memorial completed and engaged a separate company to provide the memorial which thereafter completed the memorial in less than six months after being engaged.
- b) Consumer B, from Havertown, Pennsylvania, purchased a headstone on March 19, 2019 from Defendants. After calling numerous times and trying to go to two of Defendants' places of business, Consumer B finally received a call back from Defendant Stefan, Sr. on October 3, 2019, more than six months after placing his order. Defendant Stefan, Sr. told Consumer B that Defendants were delayed in getting the stone. Additional attempts to contact the Defendants failed, and the headstone has still not been delivered.
- c) Consumer C lives in Phillipsburg, New Jersey and lost her husband on January 22, 2020. Within the two weeks following her husband's death, Consumer C began receiving voice messages on their home phone from "Jerry" who the consumer believes was Defendant Gerard Stefan. "Jerry" stated that his company always worked with Saints Philip and James church/cemetery and knew them well. "Jerry" also stated that he contacted Consumer C because the church let him know about her loss. Based on this information and still very emotional following her husband's death, Consumer C set up a meeting at her home with "Jerry" who advised that at least a 50% down payment was required, and when she asked if she could pay with a credit card, "Jerry" said no that they only take cash or check. He then asked the consumer to write check for \$3,256.20 which was more than 50% of the total price of \$5,427.00. On February 20, 2020, the Defendants sent a bill and letter stating full payment was needed. Later, two employees of Saints Philip and James church advised the consumer that they had never heard of Defendants. Consumer C advised Defendants on March 4, 2020 that she did not

want the stone based on the misrepresentations made to her by Defendants and the negative online reviews, and that she wanted a refund of her deposit. The consumer also advised Defendant Gerard Stefan that she did not want the stone and wanted a refund due to the misrepresentations.

- d) Consumer D lives in Doylestown, Pennsylvania. Upon the death of her husband, her son received a call from Defendant Gregory Stefan, Jr. who stated that Doylestown Cemetery told him to call and that he does all the memorial stones for Doylestown Cemetery. Defendants set up an immediate appointment, and the consumer's son signed a contract and gave Defendant Stefan, Jr. a check for \$4,400.00 as a deposit for the memorial stone. When Consumer D's son contacted Doylestown Cemetery, the representative from Doylestown Cemetery said they never heard of Gregory Stefan, Jr. or his company, and they certainly did not tell him to call the consumers. Consumer D then called Defendants to cancel the contract. Defendants told them they would have to send a letter to cancel. Consumer D sent a letter of cancellation to all addresses of the company by certified mail on September 24, 2019, requesting a refund of the deposit. Defendants did return the deposit to the consumer.
- e) Consumer E, a resident of Elkins Park, Pennsylvania, ordered a memorial from Defendants on June 11, 2018 and paid Defendants \$3,112.00. Defendants represented that the memorial would be delivered by late summer or fall of 2018. As of September/October 2019 the memorial had not yet been delivered. Upon information and belief, the memorial has still not been delivered as of the time of the filing of this Complaint.
- f) Consumer F, a Glenolden, Pennsylvania resident, paid Defendants \$1,387.00 on August 14, 2017 to have stone engraved, lifted and cleaned. As of February 2020, the work had not been performed by the Defendants. Upon information and belief, the engraving has still not been performed.
- g) On January 28, 2018, Consumer G, a Plymouth Meeting, Pennsylvania resident, contracted with Defendants for memorial repair and engraving and paid Defendants \$2,424.00. Defendants represented that the work was to be done in the spring or summer of 2018. Consumer G followed up with Defendants and was told that Defendants were working on it. Consumer G tried to cancel with Defendants in August or September of 2019. Upon information and belief, the work has still not been performed and a refund has not been paid to the consumer.
- h) Consumer H, who resides in Kirkwood, Pennsylvania, purchased a headstone from Defendants for \$5,669.00 on May 13, 2020. The headstone was to be delivered by September 2020, but as of February 2021 the headstone had not been delivered. Defendants were not responsive to Consumer H's inquiries. Upon information and belief, the memorial has still not been delivered.
- i) Consumer I, from West Chester, Pennsylvania, received calls from Defendant

Stefan, Jr. between March and May 2018. She met with Stefan Sr. in her home on May 30, 2018 regarding a headstone for her mother. Consumer F's father paid a \$2,000.00 deposit at the meeting. Defendants' invoice indicated an approximate delivery date of fall 2018. Consumer I understood from the discussion with Defendant Stefan, Jr. that he represented Union Hill Cemetery and Kuzo & Grieco Funeral Home in Kennett Square, PA. Consumer I repeatedly made calls to Defendants to determine the status of delivery beginning September 20, 2018. Explanation for the uncompleted job was consistently blamed on ground and weather conditions, rain delays, and inability to dig and pour base. The consumer called Kuzo & Grieco Funeral Home and was told that the funeral home did not recommend Defendants and has not done so for over a year. In September 2019, Consumer I contacted another company for a headstone and sent a certified letter to Defendants requesting cancellation of the order and repayment of the \$2000.00 deposit.

35. After investigating numerous complaints from consumers who purchased Cemetery Memorial Products from 1843 and the Stefans, the Commonwealth brought the instant suit for violations of the *Consumer Protection Law* (hereinafter, the "1843 Litigation"). In the 1843 Litigation, the Commonwealth named as defendants 1843, LLC d/b/a Lifestone by Stefan, Gregory J. Stefan, Sr., Gregory J. Stefan, Jr., and Gerard Stefan. A copy of the Commonwealth's Complaint in the 1843 Litigation (the "1843 Complaint") is attached as Exhibit "F."

36. The 1843 Complaint pleads that 1843 and the Stefan Defendants engaged in deceptive business practices by misrepresenting information to consumers and failing to meet their obligations to timely deliver Cemetery Memorial Products to consumers who have lost loved ones. *See id.*, ¶¶ 13, 36. In certain instances, the Commonwealth alleges that the Stefans represented that they were affiliated with certain cemeteries, funeral homes, and/or churches, when they were not. *See id.*, ¶¶ 44-47. The Commonwealth further pled that in certain instances Defendants failed to comply or follow through on representations made to consumers regarding completion or delivery dates with regards to the goods and services to be performed

and delivered. *See id.*, ¶ 38. The Commonwealth further alleged that Defendants have failed to provide refunds to certain consumers who were entitled to them. *See id.*, ¶ 39.

37. In the 1843 Complaint, the Commonwealth pled that Defendants' conduct violated the Section 201-3 of the *Consumer Protection Law* by: 1) causing a likelihood of confusion or misunderstanding as to the source, sponsorship, approval or certification of goods or services; 2) representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or qualities that they do not have or that a person has sponsorship, approval, status, affiliation or connection that he does not have; 3) advertising goods or services with intent not to sell them as advertised; and 4) engaging in other fraudulent or deceptive conduct which creates a likelihood of confusion or misunderstanding. *See* 73 P.S. § 201-2(4)(ii), (v), (ix), (xxi).

38. Since the filing of the 1843 Complaint in August 2021, the Bureau has received more than one hundred (100) **additional** complaints from consumers against 1843 and the Stefans.

39. On September 25, 2021, a month after the filing of the 1843 Litigation, 1843 directed a form letter to multiple consumers with outstanding orders for cemetery markers. A copy of the September 25, 2021 letter is attached hereto as Exhibit "G." This letter, sent on the letterhead of "1843 Memorials," purported to provide consumers with an update as to the status of their orders. The letter acknowledges delays in finalizing and placing headstones. The company claims this is due to illness in the owners' family as well as global supply chain delays. The letter states that "those reasons continue into the present, so we cannot yet give you a definitive date for the setting of your memorial." *See* Exh. G.

40. Defendant 1843 has further represented that it no longer conducts any direct new business, including active memorial sales, sales solicitation and/or seeking new customers for memorial related sales and services. *See* Letter from Christian J. Hoey, Esquire dated January 14, 2022, attached hereto as Exhibit H.

41. After the Commonwealth filed the 1843 Litigation, the Stefans followed their established pattern of diverting business away from an entity involved in a lawsuit and toward a newly formed company. After 1843 stopped selling Cemetery Memorial Products, Defendants Gregory Stefan, Jr. and Gerard Stefan began instead selling these products and services for Colonial Memorials, Inc. (“Colonial”). Colonial is a Delaware for-profit corporation formed February 17, 2021. *See* Screenshot of Delaware Department of State website, attached as Exhibit “I.” Colonial was registered to do business in Pennsylvania on April 13, 2021. *See* Screenshot of Pennsylvania Department of State website, attached as Exhibit “J.” Colonial advertises a business address of 991 US Highway 22 West, Suite 200, Bridgewater, NJ 08807.²

42. Colonial “was formed to provide assistance to 1843 to eliminate its backlog of orders sold to customers,” and neither Gregory Stefan, Jr. nor Gerald Stefan purportedly have any control over the cash or finances of Colonial Memorials. *See* Letter from Christian J. Hoey, Esquire dated March 4, 2022, attached hereto as Exhibit “L.” However, the owner of Colonial is Suzanne Stefan, the wife of Gregory Stefan, Jr. *See* Exh. L. Gregory Stefan, Jr. and Gerald Stefan sell Cemetery Memorial Products for Colonial, and fees for their work are paid to 1843 LLC by Colonial. *See* Exh. L.

² Colonial’s website states the business address of 991 U.S. Highway 22 West, Suite 200, Bridgewater, NJ 08807. Upon information and belief, this location is a professional virtual office space located in the Bridgewater Business Center. This is a company that offers small businesses services such as mail handling, temporary-use offices, and staffed reception. *See* print outs from colonialmemorials.com and alliancevirtualoffices.com, collectively attached as Exhibit “K.”

43. Though Colonial was formed only year ago, the Bureau has already received multiple consumer complaints claiming that Colonial failed to deliver products and services that consumers ordered and paid for:

- a) Consumer J, an 80 year old from Langhorne, Pennsylvania, lost her husband of 59 years, on May 29, 2021. On July 27, 2021, Gregory Stefan, Jr, on behalf of Colonial Memorials, visited the family's home to discuss cemetery marker options with the consumer and her daughter. Stefan told Consumer J that the marker would be delivered toward the end of the summer or beginning of fall. Consumer J paid Colonial Memorials \$5,000.00 via check for the cemetery marker. Upon information and belief, to date—nearly nine months after accepting payment—Colonial has failed to deliver the cemetery marker. After paying Colonial in full, Consumer J lacks the funds to buy a replacement marker.
- b) Consumer K, from Philadelphia, Pennsylvania, lost her husband on January 28, 2021. Consumer K purchased a cemetery marker from Colonial Memorials, through salesperson Gregory Stefan, Jr., on June 19, 2021. She signed a purchase order with Colonial stating an approximate delivery date of “90 days after final payment.” She paid Colonial the total balance due of \$5,742.00 via cashier's check on June 23, 2021. Since placing the order, the consumer has contacted Colonial multiple times via phone, text, and email about her order, and has received nothing but statements that they are short staffed and are doing the best they can. Consumer K wants the headstone placed so that she can “have peace of mind visiting [her] husband at the cemetery.”
- c) Consumer L, a Bethlehem, Pennsylvania resident, received a phone call from Gregory Stefan, Jr. of Colonial Memorials after the death of her husband. Stefan, Jr. arranged to meet the consumer at her husband's burial site to discuss options for a headstone. During a July 18, 2021 meeting at Nisky Hill Cemetery, Consumer L signed a contract with Colonial for a \$3,755.00 marker and paid a deposit of half of the purchase price. Consumer L paid the remainder of the balance on October 7, 2021. Since then, Colonial Memorials has failed to respond to the consumer's phone calls and emails concerning the status of the order. Upon information and belief, her husband's cemetery marker has not been delivered.
- d) Consumer M from Philadelphia, Pennsylvania purchased a headstone for his deceased wife. Gregory Stefan, Jr. of Colonial Memorials visited the consumer's home to discuss various designs for the headstone. On March 31, 2021, Consumer M signed a contract with Colonial Memorials and paid the purchase price of \$5,900.00 in full. Stefan, Jr. told the consumer that the headstone would be available in the fall. Since that purchase, Consumer M

has contacted Colonial multiple times regarding the status of the order and has received no response. Upon information and belief, the cemetery marker has still not been delivered.

44. The consumer complaints against Colonial demonstrate that the wrongful conduct the Commonwealth has alleged against Defendants in the 1843 Litigation is now continuing with 1843, Gregory Stefan, Jr., and Gerard Stefan providing services to Colonial.

ARGUMENT

45. The Commonwealth petitions this Court to issue a preliminary injunction against Defendants pursuant to the statutory authority proscribed in the *Consumer Protection Law* and the Pennsylvania Rules of Civil Procedure. *See* 73 P.S. § 201-4; Pa. R. Civ. P. 1531(a). The Attorney General is expressly authorized to seek preliminary injunctive relief where there is “reason to believe that any person is using or is about to use any method, act or practice declared by [the Consumer Protection Law] to be unlawful, and that proceedings would be in the public interest . . .” *Id.*; *see also Commonwealth v. Cole*, 709 A.2d 994, 996 (Pa. Commw. 1998).

46. “The purpose of a preliminary injunction is to prevent irreparable injury or gross injustice by preserving the *status quo* as it exists or as it previously existed before the acts complained of in the complaint.” *See Ambrogi v. Reber*, 932 A.2d 969, 974 (Pa. Super. Ct. 2007).

47. In determining whether a preliminary injunction should be granted, the court may act “on the basis of averments of the pleadings or petition and may consider affidavits of parties or third persons or any other proof which the court may require.” *See* Pa. R. Civ. P. 1531(a).

48. To issue preliminary injunctive relief, a court must find the following factors present: a) Without the requested relief, the petitioner will suffer immediate and irreparable harm that cannot be compensated by damages; b) The petitioner is likely to succeed on the merits; c) A

greater injury would result in refusing an injunction than from granting it; d) The injunction will properly restore the parties to their status as it existed prior to the alleged wrongful conduct; e) The injunction is reasonably suited to abate the offending activity; and f) The issuance of the injunction will not adversely affect the public interest. *See Summit Towne Centre, Inc. v. Shoe Show of Rocky Mount, Inc.*, 573 Pa. 637, 646-47, 828 A.2d 995, 1001 (2003); *Maritrans v. Pepper, Hamiltons & Scheetz*, 529 Pa. 241, 252, 602 A.2d 1277, 1283 (1992); *Valley Forge Hist. Soc. v. Washington Memorial Chapel*, 493 Pa. 491, 499, 426 A.2d 1123, 1128 (1981).

49. Here the Commonwealth seeks a preliminary injunction prohibiting Defendants from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers during the pendency of the instant litigation. As detailed below, the Commonwealth pleads facts to support each required element necessary for issuance of this preliminary injunction.

50. First, this Court should issue a preliminary injunction to prevent Pennsylvania consumers from suffering irreparable harm from Defendants' unfair and deceptive acts and practices. Irreparable harm is present due to both the Defendants' violations of the *Consumer Protection Law* and the emotional distress Defendants' conduct causes to families who have lost loved ones.

51. A violation of a statute constitutes the irreparable injury necessary to issue a preliminary injunction. *See Commonwealth v. Snyder*, 977 A.2d 28, 41 (Pa. Commw. 2009) (citing *Pub. Util. Comm'n v. Israel*, 356 Pa. 400, 52 A.2d 317 (1947)); *Commonwealth v. Cole*, 709 A.2d 994, 996 (Pa. Commw. 1998). Specifically, were the Commonwealth credibly alleges a violation of the *Consumer Protection Law*, irreparable harm is presumed. *See Snyder*, 977 A.2d at 41 (citing *Cole*, 709 A.2d at 996).

52. Here, the Defendants' continuous violations of the *Consumer Protection Law* are causing irreparable harm. Though the Stefans are no longer directly selling cemetery markers and associated products through 1843, Defendants Gregory Stefan, Jr. and Gerard Stefan are now selling the exact same or similar products for Colonial Memorials, with Defendant 1843 receiving fees for these sales. Though the Stefans claim they exercise no control over the operations of Colonial, their representation strains credulity since Colonial is owned by Stefan, Jr.'s wife, Suzanne Stefan. The Commonwealth submits that Stefans are simply continuing their pattern of moving operations from a one company embroiled in litigation over to a new business.

53. Since Gregory Stefan, Jr. and Gerard Stefan have begun selling products for Colonial, the Bureau has received consumer complaints alleging the same unfair and deceptive acts and practices the Stefans previously committed at Lifestone and 1843. The Stefans' violations of the *Consumer Protection Law* are continuing at Colonial Memorials, and they are causing consumers irreparable harm.

54. Absent this Court's issuance of an injunction, Pennsylvania consumers will also suffer irreparable emotional harm. The Stefans sell sensitive, personalized Cemetery Memorial Products to families who have recently suffered the death of a loved one. These families spend thousands of dollars to order cemetery markers customized to commemorate their loved ones, and they suffer a myriad of harms when the Stefans fail to deliver the headstones—in some instances for years after the orders are placed. This Court should issue a preliminary injunction to prevent these harms to grieving families.

55. Second, this Court should issue a preliminary injunction because the Commonwealth has a strong likelihood of success on the merits of its claims that Defendants violated the *Consumer Protection Law*. When considering a preliminary injunction, the key

question in determining whether a likelihood of success exists is “not the equivalent of stating that no factual disputes exist between the parties.” *See Ambrogi v. Reber*, 932 A.2d at 980. Instead, the “proper question is whether the party seeking the preliminary injunction produced sufficient evidence to show that ‘substantial legal questions must be resolved to determine the rights of the respective parties.’” *See id.* (quoting *All-Pak, Inc. v. Johnston*, 694 A.2d 347, 350 (Pa. Super. Ct. 1997)).

56. Here, the Commonwealth has pled detailed facts in the 1843 Complaint that, if proven at trial, will show extensive violations of the *Consumer Protection Law* impacting hundreds of consumers. The Commonwealth will show that Defendants engaged in deceptive business practices in failing to meet their promises and representations to timely deliver Cemetery Memorial Products to consumers who have lost loved ones. *See* 1843 Complaint, Exh. F, ¶¶ 13, 36. Moreover, Defendants’ misled consumers by falsely representing that they were affiliated with certain cemeteries, funeral homes, and/or churches. *See id.* ¶¶ 44-47. The Commonwealth further pled that in numerous instances Defendants failed to comply or follow through on representations made to consumers regarding completion or delivery dates with regards to the goods and services to be performed and delivered. *See id.* ¶ 38. The Commonwealth has a strong likelihood of showing that Defendants’ conduct constituted unfair or deceptive acts or practices that violate the *Consumer Protection Law* *See* 73 P.S. § 201-2(4)(ii), (v), (ix), (xxi); 73 P.S. § 203.

57. Third, this Court should issue a preliminary injunction because a greater injury to consumers would result in the absence of an injunction than the Defendants would encounter from its entry. In issuing a preliminary injunction, Pennsylvania courts weigh the respective harm that each party would suffer if the injunction were or were not entered. *See*

Commonwealth v. Snyder, 977 A.2d 28, 41 (Pa. Commw. 2009). In *Snyder*, the Commonwealth sought and obtained a preliminary injunction that prohibited a group of individual mortgage brokers who had sold illegal “wrap mortgage” products from selling any mortgage or investment products during the pendency of litigation. 977 A.2d at 42. The broker defendants forcefully argued that this injunction caused a greater harm than it prevented because without their ability to sell mortgage and investment products, they could not earn a living. *Id.* at 41-42. The Commonwealth Court affirmed the trial court’s conclusion that a greater harm would result from refusing the injunction than from granting it. The Court found the brokers’ conduct in selling illegal mortgage products to be egregious and concluded that the brokers felt “no responsibility whatsoever to the [customers] with whom they dealt.” *Id.* at 43. Given the severity of the brokers’ conduct, the Commonwealth Court explained that “only [their] removal from the [mortgage] field pending complete review would provide protection to the public in the interim.” *Id.* at 43.

58. Here, like in *Snyder*, the Defendants’ conduct is so egregious that only removing them from the Cemetery Memorial Product industry while the merits of the litigation are determined is sufficient to protect the public from harm. More than two hundred (200) consumers have filed complaints with the Bureau against 1843 and the Stefan Defendants, most of which allege that consumers paid for cemetery markers for deceased loved ones that they never received. The consumer complaints demonstrate that the Stefan Defendants personally engaged in this egregious wrongful conduct and misled consumers who were grieving a deceased family member. Like the mortgage brokers in *Snyder*, the Stefan Defendants clearly feel “no responsibility” toward the consumers they have harmed. The only way to protect Pennsylvania

consumers from further irreparable harm is to remove the Stefans from the Cemetery Memorial Product marketplace while this litigation is pending.

59. Compared to the harm an injunction would prevent, any harm that would result to 1843 and the Stefans is minor. First, Defendant 1843 has already voluntarily stopped selling Cemetery Memorial Products directly to consumers, and this injunction would only prevent them from indirectly doing the same. Second, Defendant Gregory Stefan, Sr. is already prohibited from selling Cemetery Memorial Products pursuant to the Stipulated Contempt Order in the Limestone Litigation, so he will suffer no harm at all.³ Third, Defendants Gregory Stefan, Jr. and Gerard Stefan will be prohibited from selling Cemetery Memorial Products only for a period of months until trial in this matter occurs in late 2022,⁴ so any financial harm they would suffer would be very limited in scope.

60. The requested injunction is narrowly tailored to prohibit only sales of new Cemetery Memorial Products. The Defendants can continue to deliver and set cemetery markers for orders already placed, so that those consumers can receive the products they ordered as quickly as possible. This Court should reject any argument by the 1843 Defendants that the injunction would prevent them from fulfilling existing orders, because consumers have already paid for those products. Income coming into 1843 through Colonial for sales of new headstones should not impact the abilities of 1843 and the Stefan Defendants to fulfill existing orders for which they have already received payment.

61. Fourth, this Court should issue a preliminary injunction against Defendants because it will restore the status quo that existed before Defendants violated the *Consumer*

³ Nothing in the proposed preliminary injunction is inconsistent with Stefan, Sr.'s obligations under the Stipulated Contempt Order.

⁴ Under the current Case Management Order, the instant litigation is scheduled for the court's four-week trial pool commencing November 3, 2022.

Protection Law. The status quo to be maintained by a preliminary injunction is “the last actual, peaceable and lawful non-contested status which preceded the pending controversy.” See *Valley Forge Historical Soc. v. Washington Memorial Chapel*, 493 Pa. 491, 426 A.2d 1123 (1981). “The relevant standard requires that an injunction must address the *status quo* as it existed between the parties before the event that gave rise to the lawsuit, not to the situation as it existed after the alleged wrongful act but before entry of the injunction.” *Ambrogi v. Reber*, 932 A.2d 969, 979-80 (Pa. Super. 2007). Here, the proposed injunction would appropriately restore the status quo by prohibiting the 1843 Defendants from selling new Cemetery Memorial Products. The Bureau has received consumer complaints about businesses associated with the Stefans dating as far back as 2010. The appropriate status quo is not before the 1843 Defendants started their affiliation with Colonial Memorials; rather, it is before they started selling the Cemetery Memorial Products that are the subject of the instant litigation. For this reason, the status quo requirement is satisfied.

62. Fifth, the Commonwealth’s requested injunctive relief abates the Defendants’ wrongful conduct because it prevents them from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers. This would plainly prevent 1843 and the Stefans from deceiving customers to induce sales and from selling any further products to consumers that they fail to deliver. Moreover, the injunction does not restrain Defendants from taking action to remedy the harm suffered by consumers who have already placed orders for memorials with 1843. They can continue delivering and placing memorials to clear the backlog of customer orders the company has.

63. Sixth, entry of the preliminary injunction would serve the public interest by temporarily removing deceptive actors from the Cemetery Memorial Product marketplace. The

Commonwealth brings this action seeking injunctive relief in the public interest. *See* 73 P.S. § 201-4 (authorizing the Attorney General to seek preliminary injunctive relief where such “proceedings would be in the public interest”); *see also* 1843 Complaint, Exh. F, ¶¶ 32-33 (pleading that the Attorney General brings the action in the public interest.) The Commonwealth has pled that 1843 and the Stefan Defendants are selling Cemetery Memorial Products to Pennsylvania consumers, but failing to deliver the markers for which the consumers have paid. Further, the Commonwealth has pled that Defendants are deceiving consumers about their affiliations with cemeteries and funeral homes and the status of the consumers’ orders. The public interest weighs heavily in favor of stopping Defendants from selling any further Cemetery Memorial Products where, as here, there is a high risk given the Defendants’ prior conduct that consumers will not have their orders fulfilled.

WHEREFORE, the Commonwealth respectfully requests that this Honorable Court grant the Commonwealth’s Petition for Preliminary Injunction and enter an Order directing preliminary injunctive relief, including:

- a) Enjoining Defendant 1843 from engaging in any trade and/or commerce within the Commonwealth of Pennsylvania or with consumers residing in the Commonwealth of Pennsylvania involving the advertising, marketing, or selling of Cemetery Memorial Products;
- b) Enjoining the Stefan Defendants from engaging in trade and/or commerce within the Commonwealth of Pennsylvania or with consumers residing in the Commonwealth of Pennsylvania, in any ownership or managerial capacity, including but not limited to, as owner, registered agent, stockholder, partner, member of a limited liability

company, principal, director, manager, project manager, contractor or subcontractor, of any business other than 1843, LLC that sells Cemetery Memorial Products;

c) Enjoining the Stefan Defendants from engaging in the following conduct as it pertains to any business other than 1843 LLC that sells Cemetery Memorial Business Products:

1. Exercising any control or decision-making authority over such business;
2. Controlling or participating in the collection or expenditure of monies related to the activities of such business; and
3. Having any contact or interaction with consumers or being involved in any way in the advertising, marketing, selling or providing of Cemetery Memorial Products; and

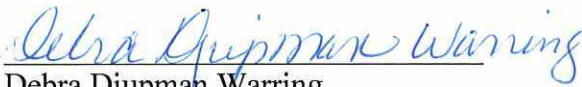
d) Granting such further relief as this Court deems appropriate to effectuate the purposes of the relevant Orders and laws.

Respectfully submitted,

COMMONWEALTH OF PENNSYLVANIA
OFFICE OF ATTORNEY GENERAL

JOSH SHAPIRO
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Date: April 28, 2022

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**IN THE COURT OF COMMON PLEAS OF DELAWARE COUNTY
 CIVIL TRIAL DIVISION**

COMMONWEALTH OF PENNSYLVANIA	:	
By Attorney General Josh Shapiro,	:	
	:	No. CV-2021-006914
Plaintiff,	:	
v.	:	
	:	
1843, LLC, d/b/a Lifestone by Stefan;	:	CIVIL ACTION – EQUITY
GREGORY J. STEFAN, SR., individually and	:	
d/b/a Lifestone by Stefan;	:	
GREGORY J. STEFAN, JR., individually,	:	
d/b/a Lifestone by Stefan, and	:	
GERARD STEFAN, individually	:	
d/b/a Lifestone by Stefan,	:	
	:	
Defendants.	:	

**MEMORANDUM OF LAW IN SUPPORT OF
 COMMONWEALTH’S PETITION FOR PRELIMINARY INJUNCTION**

I. INTRODUCTION

This Petition concerns the improper conduct of a father and two sons operating family businesses that sell cemetery markers and monuments in and around Delaware County, Pennsylvania. Defendants Gregory Stefan, Sr., Gregory Stefan, Jr., and Gerard Stefan (collectively the “Stefans” or “Stefan Defendants”) engaged in the business of advertising, marketing, selling and/or providing cemetery markers and memorials and related services to consumers, including, but not limited to monument and marker engraving and lettering

(“Cemetery Memorial Products”). In short, the Stefans repeatedly took money from multiple consumers and then failed to deliver as promised these highly personal and important goods and services. The Commonwealth of Pennsylvania petitions this Court to preliminarily enjoin Defendant 1843, LLC and the Stefan Defendants from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers during the pendency of the instant litigation. The Commonwealth brings this Petition pursuant to Pennsylvania’s *Unfair Trade Practices and Consumer Protection Law* (“*Consumer Protection Law*”), 73 P.S. §§ 201-1, *et seq.*, and Pennsylvania Rule of Civil Procedure 1531.

The Commonwealth petitions this Court for preliminary injunctive relief to halt Defendants’ ongoing unfair and deceptive conduct in violation of the *Consumer Protection Law*. The Stefan Defendants and their multiple family-owned cemetery memorial businesses have a lengthy history of harming Pennsylvania consumers. Since 2010, over six hundred consumers have filed complaints with the Bureau of Consumer Protection (the “Bureau”) alleging that the Stefans’ failed to deliver the goods and services for which the consumers contracted and paid. The Stefans sell cemetery markers and associated services to consumers who had recently lost a family member. Consumers report that the Stefans met them at their homes or their loved ones’ burial sites, offered heartfelt personal sympathies, developed customized memorial designs, and promised to timely deliver fitting tributes to their loved ones. In some instances, the Stefans gained consumers’ trust by representing—falsely—that they were affiliated with the cemetery, funeral home, or church that provided services to the deceased’s family. The Stefans eagerly accepted payments of several thousands of dollars from these grieving families for Cemetery Memorial Products, yet in the end failed to follow through with delivery of the headstones they sold.

The Stefan Defendants' failure to timely deliver the cemetery memorials their customers ordered and paid for goes far beyond ordinary unexpected delays. Though the Stefans devoted substantial efforts to gaining potential customers' trust, once the sale was closed, they essentially ignored their needs. Hundreds of the Stefans' customers have been waiting for *multiple years* for delivery of headstones to commemorate their loved ones. When questioned by frustrated family members, the Stefans offered nothing but a series of misrepresentations or vague excuses as to why their orders have not be fulfilled. Some customers eventually gave up and expended substantial sums to purchase replacement headstones for those the Stefans failed to deliver. For those families who cannot afford a replacement, they remain unsettled knowing that their loved ones continue to rest in unmarked graves.

The Stefans and their companies have deprived hundreds of Pennsylvanians of the ability to properly commemorate their deceased loved one with the custom cemetery markers they purchased. The Commonwealth has brought two civil lawsuits alleging that the Stefans and their companies engaged in unfair and deceptive acts and practices that violate the *Consumer Protection Law*—one suit filed in 2015 against Stefan Memorials, Inc., Lifestone by Stefan, LLC, and Gregory Stefan, Sr. (the “Lifestone Litigation”) and the instant litigation filed in 2021 against 1843 LLC, Gregory Stefan, Sr., Gregory Stefan, Jr., and Gerard Stefan (the “1843 Litigation”). The Lifestone Litigation was resolved in 2018 via a consent judgment and order of the court that required payment of consumer restitution, civil penalties, and costs. The Lifestone Litigation defendants failed to honor their obligations under this consent judgment, and the Commonwealth petitioned the Court in 2020 to hold them in contempt. The Commonwealth's petition was resolved via a stipulated contempt order under which the Lifestone Litigation defendants agreed to stop selling Cemetery Memorial Products in Pennsylvania. Nearly four

years after the entry of judgment, the restitution owed to consumers under the Lifestone Litigation consent judgment remains unsatisfied.

Notwithstanding the Lifestone Litigation, the Stefan Defendants did not modify their practices to deal honestly and fairly with consumers; rather, they simply transitioned their operations from a company in litigation to a newly formed business. This Court’s intervention is now necessary because the Stefans’ well-established pattern of moving operations to a new company is occurring yet again. In just the past year, the Stefans have formed business relationships with a new company that sells Cemetery Memorial Products, “Colonial Memorials.” In recent months, the Bureau has received consumer complaints against Colonial Memorials alleging conduct similar to that involved in the Lifestone Litigation and the 1843 Litigation—consumers purchase headstones from Colonial that are not delivered in a timely manner. These recent reports show that there is a strong likelihood of serious irreparable harm to consumers if the Stefans can continue to do business as usual during the course of the pending litigation. The Commonwealth is therefore petitioning this Court to preliminarily enjoin Defendant 1843 and the Stefan Defendants from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers until the merits of the instant 1843 litigation have been adjudicated.

II. QUESTION PRESENTED

Should this Court issue a preliminary injunction prohibiting Defendants from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers during the pendency of the instant litigation where 1) consumers will suffer irreparable harm if Defendants are not enjoined; 2) the Commonwealth has shown a likelihood of success on the merits of its claims for violations of the *Unfair Trade Practices and Consumer Protection Law*; 3) the

proposed injunction will restore the status quo before Defendants' wrongful conduct occurred; 4) a greater injury would occur if the Court refused to issue the injunction than grant it; 5) the proposed injunction is tailored to abate the offending activity, and 6) the public interest favors the issuance of the injunction?

Suggested Answer: Yes.

III. FACTUAL BACKGROUND

A. The Stefans' Cemetery Memorial Businesses and the Limestone Litigation

The Stefan Defendants have used a variety of business names to sell Cemetery Memorial Products, including but not limited to, Stefan Memorials, Inc., Limestone by Stefan, LLC, Stefan Memorial Group, The Memorial Company, Gallagher Memorials, Alessi Memorials, 1843, LLC, 1843 Memorials/Cartledge, and 1843 New Britain/Quakertown Memorials. As family-run businesses, Stefan, Sr., Stefan, Jr. and/or Gerard Stefan, supervised, controlled, approved, authorized, ratified, exercised control over and/or participated in the day-to-day operations of these companies. The Bureau has received consumer complaints about businesses owned by the Stefans dating as far back as 2010.

From 2010 through 2015, the Bureau received numerous consumer complaints against Limestone by Stefan, LLC, Stefan Memorials, Inc., and Gregory Stefan, Sr. (collectively, the "Limestone Defendants"). After investigating these complaints, the Commonwealth filed suit against the Limestone Defendants on October 28, 2015 in the Delaware County Court of Common Pleas (the "Limestone Litigation"). A copy of the complaint filed in the Limestone Litigation (the "Limestone Complaint") is attached as Exhibit "A."

In the Limestone Complaint, the Commonwealth alleged that Defendants engaged in multiple unfair or deceptive acts and practices. The Limestone Defendants told consumers that

lettering, inscriptions, markers or monuments they had purchased would be completed and installed within a certain specified time frame. *See* Lifestone Complaint ¶¶ 16-17. However, in certain instances, the Lifestone Defendants were significantly late in providing or delivering the services or the markers or memorials, or completely failed to provide services or products at all. *See id.*, ¶ 20. In certain instances, when consumers inquired about the delay, the Lifestone Defendants provided misleading, confusing or false information, explanations and excuses. *See id.*, ¶ 21. The Commonwealth further alleged that the Lifestone Defendants failed to comply with or follow through on representations made to consumers regarding completion or delivery dates and refunds with regards to the goods and services contracted to be performed and delivered. *See id.*, ¶¶ 22-23. The Commonwealth also alleged that the Lifestone Defendants represented to certain consumers that they were affiliated, connected or associated with the cemetery in which the consumer's loved one was buried when they were not. *See id.*, ¶ 18. Where the Lifestone Defendants did complete customer orders, the Commonwealth alleged that they provided memorials or lettering which were of a lesser quality, were defective, or were not properly installed. *See id.*, ¶ 24.

In the Lifestone Complaint, the Commonwealth alleged that the Defendants' conduct violated the Section 201-3 of the *Consumer Protection Law* by: 1) causing a likelihood of confusion or misunderstanding as to the source, sponsorship, approval or certification of goods or services; 2) representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or qualities that they do not have or that a person has sponsorship, approval, status, affiliation or connection that he does not have; 3) advertising goods or services with intent not to sell them as advertised; and 4) engaging in other fraudulent or deceptive

conduct which creates a likelihood of confusion or misunderstanding. *See* 73 P.S. § 201-2(4)(ii), (v), (ix), (xxi). *See* Lifestone Complaint, ¶¶ 33-48.

B. The Parties Resolved the Lifestone Litigation Through a Judgment by Consent.

On August 10, 2018, nearly three years after the commencement of the Lifestone Litigation, the Commonwealth and the Lifestone Defendants entered into a judgment by consent to resolve the lawsuit (the “Consent Judgment”). A copy of the Consent Judgment is attached hereto as Exhibit “B.” The Consent Judgment was entered as an order of the Court on August 16, 2018. Under its terms, the Lifestone Defendants agreed to injunctive relief including: 1) clearly and conspicuously disclosing certain information on their advertisements and contracts for consumers (Exh. B. ¶ III.C, D, E, and F); 2) delivering goods and services within the time frame specified in contracts with consumers (¶ III.G); 3) paying refunds to consumers where delivery is not made within a specified time frame (¶ III.I); 4) refraining from claiming to be connected with a cemetery or other organization when they are not (¶ III.J); 5) refraining from providing misleading, confusing, or false information to consumers who inquire about goods and services provided by the Lifestone Defendants and any delay in the provision of goods and services (¶ III.K); and 6) complying with the *Consumer Protection Law* in their business dealings (¶¶ III.A, B).

In addition to the injunctive relief in the Consent Judgment, the Lifestone Defendants agreed to fulfill customer orders from the agreed upon List of Undelivered Goods and Services by certain specified deadlines ending on January 31, 2019. (Exh. B ¶ IV.A.1). The Consent Judgment provided that if the Lifestone Defendants did not meet the January 21, 2019 deadline, they would be liable for payment of monetary restitution which would be distributed to consumers by the Commonwealth. (¶ IV.A.2). In addition, the Lifestone Defendants agreed to

pay \$25,000.00 to the Commonwealth to pay part of the costs of investigation and litigation, along with \$10,000.00 in civil penalties, which were to be paid in monthly installments. (§ IV.C). The Consent Judgment also provided for suspended civil penalties in the amount of \$50,000.00, which were to remain suspended so long as the Lifestone Defendants remained in compliance with terms of the Consent Judgment. (§ IV.D).

C. After the Lifestone Defendants Violated the Consent Judgment, This Court Enjoined the Lifestone Defendants From Selling Cemetery Memorial Products.

Despite agreeing to the terms of the Consent Judgment, the Lifestone Defendants failed to perform their obligations under the Court's order. Specifically, the Lifestone Defendants failed to provide proof that certain goods and services were delivered to consumers on or before the deadlines specified in the Consent Judgment. Further, the Lifestone Defendants failed to pay the agreed upon restitution for orders that were not completed by February 28, 2019. Also, the Lifestone Defendants failed to make the monthly payments toward costs and civil penalties required under the Consent Judgment. Accordingly, the Commonwealth filed a Petition for Contempt on February 26, 2020, seeking to hold the Lifestone Defendants accountable for failing to comply with the Consent Judgment.

In response to the Petition for Contempt, the Lifestone Defendants entered into a stipulated order of contempt dated January 19, 2021 (the "Stipulated Contempt Order") enforcing the terms of the Consent Judgment. A copy of the Stipulated Contempt Order is attached as Exhibit "C." Specifically, the Stipulated Order found that the Lifestone Defendants were in violation of the terms of the Consent Judgment and entered judgment jointly and severally against the Lifestone Defendants in the amount of \$383,130.70. Under the terms of the Stipulated Order, the Lifestone Defendants further forfeited their right to engage in trade or

commerce within Pennsylvania in an ownership or managerial capacity in any business selling Cemetery Memorial Products. Further, Defendant Gregory Stefan, Sr. was permanently enjoined from engaging in certain conduct for any business selling Cemetery Memorial Products including: 1) exercising control or decision making authority over the business; 2) controlling or participating in the collection of monies for the activities of any such business; and 3) having any interactions with consumers or being involved in the marketing, selling or providing Cemetery Memorial Products.⁵

D. The Stefans Moved Their Sales of Cemetery Memorial Products to 1843 LLC and Continued to Engage in Unfair and Deceptive Acts and Practices.

While the Limestone Litigation was pending, the Stefan Defendants took quick action to move their business away from the companies involved in the suit. On July 18, 2016, less than a year after the Limestone Litigation commenced, the Stefans moved their primary Cemetery Memorial Product business from the Limestone by Stefan companies to 1843, LLC. The Stefans formed 1843, LLC as a Pennsylvania limited liability company with a business address of 8501 North Lansdowne Avenue, Upper Darby, PA 19082. *See* Record of the Pennsylvania Department of State, attached hereto as Exhibit “D.” On October 14, 2016, 1843 registered as the owner of the fictitious name “Limestone by Stefan.” *See* Record of the Pennsylvania Department of State, attached hereto as Exhibit “E.”

After the Stefans formed 1843, the Bureau began receiving complaints from consumers alleging that they purchased Cemetery Memorial Products from 1843, yet failed to receive the goods and services for which they contracted and paid. The complaints involved similar conduct to that alleged in the Limestone Litigation. Between November 2018 and August 2021, the

⁵ Nothing in the Stipulated Contempt Order restraining the activities of Gregory Stefan Sr. is inconsistent with the preliminary injunction the Commonwealth requests in this Petition.

Bureau received more than one hundred consumer complaints against 1843 Defendants and the Stefans.

E. The Commonwealth Filed A Second Lawsuit For Violations of the *Consumer Protection Law* By 1843 and the Stefan Defendants.

After investigating numerous complaints from consumers who purchased Cemetery Memorial Products from 1843 and the Stefans, the Commonwealth brought the instant suit for violations of the *Consumer Protection Law* (hereinafter, the “1843 Litigation”). In the 1843 Litigation, the Commonwealth named as defendants 1843, LLC d/b/a Lifestone by Stefan, Gregory J. Stefan, Sr., Gregory J. Stefan, Jr., and Gerard Stefan. A copy of the Commonwealth’s Complaint in the 1843 Litigation (the “1843 Complaint”) is attached as Exhibit “F.”

The 1843 Complaint pleads that 1843 and the Stefan Defendants engaged in deceptive business practices by misrepresenting information to consumers and failing to meet their obligations to timely deliver Cemetery Memorial Products to consumers who have lost loved ones. *See id.*, ¶¶ 13, 36. In certain instances, the Commonwealth alleges that the Stefans represented that they were affiliated with certain cemeteries, funeral homes, and/or churches, when they were not. *See id.*, ¶¶ 44-47. The Commonwealth further pled that in certain instances Defendants failed to comply or follow through on representations made to consumers regarding completion or delivery dates with regards to the goods and services to be performed and delivered. *See id.*, ¶ 38. The Commonwealth further alleged that Defendants have failed to provide refunds to certain consumers who were entitled to them. *See id.*, ¶ 39.

In the 1843 Complaint, the Commonwealth pled that Defendants’ conduct violated the Section 201-3 of the *Consumer Protection Law* by: 1) causing a likelihood of confusion or misunderstanding as to the source, sponsorship, approval or certification of goods or services; 2)

representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or qualities that they do not have or that a person has sponsorship, approval, status, affiliation or connection that he does not have; 3) advertising goods or services with intent not to sell them as advertised; and 4) engaging in other fraudulent or deceptive conduct which creates a likelihood of confusion or misunderstanding. *See* 73 P.S. § 201-2(4)(ii), (v), (ix), (xxi).

Since the filing of the 1843 Complaint in August 2021, the Bureau has received more than one hundred *additional* complaints from consumers against 1843 and the Stefans. The Defendants' failure to honor their obligations to consumers remains ongoing. On September 25, 2021, a month after the filing of the 1843 Litigation, 1843 directed a form letter to multiple consumers with outstanding orders for cemetery markers. A copy of the September 25, 2021 letter is attached hereto as Exhibit "G." This letter, sent on the letterhead of "1843 Memorials," purported to provide consumers with an update as to the status of their orders. The letter acknowledges delays in finalizing and placing headstones. The company claims this is due to illness in the owners' family as well as global supply chain delays. The letter states that "those reasons continue into the present, so we cannot yet give you a definitive date for the setting of your memorial." *See* Exh. G. Defendant 1843 has further represented that it no longer conducts any direct new business, including active memorial sales, sales solicitation and/or seeking new customers for memorial related sales and services. *See* Letter from Christian J. Hoey, Esquire dated January 14, 2022, attached hereto as Exhibit "H."

F. The Stefans Moved Their Sales of Cemetery Memorial Products to Colonial Memorials.

After the Commonwealth filed the 1843 Litigation, the Stefans followed their established pattern of diverting business away from the entity involved in a lawsuit and toward a newly formed company. After 1843 stopped selling Cemetery Memorial Products, Defendants Gregory

Stefan, Jr. and Gerard Stefan began instead selling these products and services for Colonial Memorials, Inc. (“Colonial”). Colonial is a Delaware for-profit corporation formed February 17, 2021. *See* Screenshot of Delaware Department of State website, attached as Exhibit “I.” Colonial was registered to do business in Pennsylvania on April 13, 2021. *See* Screenshot of Pennsylvania Department of State website, attached as Exhibit “J.” Colonial’s stated business address is 991 US Highway 22 West, Suite 200, Bridgewater, NJ 08807.⁶

Colonial “was formed to provide assistance to 1843 to eliminate its backlog of orders sold to customers,” and neither Gregory Stefan, Jr. nor Gerald Stefan purportedly have any control over the cash or finances of Colonial Memorials. *See* Letter from Christian J. Hoey, Esquire dated March 4, 2022, attached hereto as Exhibit “L.” However, the owner of Colonial is Suzanne Stefan, the wife of Gregory Stefan, Jr. *See* Exh. L. Gregory Stefan, Jr. and Gerald Stefan sell Cemetery Memorial Products for Colonial, and fees for their work are paid to 1843 LLC by Colonial. *See* Exh. L.

Though Colonial was formed only a year ago, the Bureau has already received multiple consumer complaints claiming that Colonial failed to deliver products and services that consumers ordered and paid for. The consumer complaints against Colonial demonstrate that the wrongful conduct the Commonwealth has alleged against Defendants in the 1843 Litigation is now continuing with 1843, Gregory Stefan, Jr., and Gerard Stefan providing services to Colonial.

⁶ Colonial’s website states the business address of 991 U.S. Highway 22 West, Suite 200, Bridgewater, NJ 08807. Upon information and belief, this location is a professional virtual office space located in the Bridgewater Business Center. This is a company that offers small businesses services such as mail handling, temporary-use offices, and staffed reception. *See* print outs from colonialmemorials.com and alliancevirtualoffices.com, collectively attached as Exhibit “K.”

IV. ARGUMENT

A. Standard for Preliminary Injunction

The Commonwealth petitions this Court to issue a preliminary injunction against Defendants pursuant to the statutory authority proscribed in the *Consumer Protection Law* and the Pennsylvania Rules of Civil Procedure. *See* 73 P.S. § 201-4; Pa. R. Civ. P. 1531(a). The Attorney General is expressly authorized to seek preliminary injunctive relief where there is “reason to believe that any person is using or is about to use any method, act or practice declared by [the Consumer Protection Law] to be unlawful, and that proceedings would be in the public interest . . .” *Id.*; *see also Commonwealth v. Cole*, 709 A.2d 994, 996 (Pa. Commw. 1998). “The purpose of a preliminary injunction is to prevent irreparable injury or gross injustice by preserving the *status quo* as it exists or as it previously existed before the acts complained of in the complaint.” *See Ambrogi v. Reber*, 932 A.2d 969, 974 (Pa. Super. Ct. 2007). In determining whether a preliminary injunction should be granted, the court may act “on the basis of averments of the pleadings or petition and may consider affidavits of parties or third persons or any other proof which the court may require.” *See* Pa. R. Civ. P. 1531(a).

To issue preliminary injunctive relief, a court must find the following factors present:

1. Without the requested relief, the petitioner will suffer immediate and irreparable harm that cannot be compensated by damages;
2. The petitioner is likely to succeed on the merits;
3. A greater injury would result in refusing an injunction than from granting it;
4. The injunction will properly restore the parties to their status as it existed prior to the alleged wrongful conduct;
5. The injunction is reasonably suited to abate the offending activity; and
6. The issuance of the injunction will not adversely affect the public interest.

See Summit Towne Centre, Inc. v. Shoe Show of Rocky Mount, Inc., 573 Pa. 637, 646-47, 828 A.2d 995, 1001 (2003); *Maritrans v. Pepper, Hamiltons & Scheetz*, 529 Pa. 241, 252, 602 A.2d 1277, 1283 (1992); *Valley Forge Hist. Soc. v. Washington Memorial Chapel*, 493 Pa. 491, 499, 426 A.2d 1123, 1128 (1981).

Here the Commonwealth seeks a preliminary injunction prohibiting Defendants from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers during the pendency of the instant litigation. As detailed below, the Commonwealth pleads facts to support each required element necessary for issuance of this preliminary injunction.

B. Pennsylvania Consumers Will Suffer Irreparable Harm Unless Defendants are Preliminarily Enjoined from Selling Cemetery Memorial Products.

This Court should issue a preliminary injunction to prevent Pennsylvania consumers from suffering irreparable harm from Defendants' unfair and deceptive acts and practices. Irreparable harm is present due to both the Defendants' violations of the *Consumer Protection Law* and the emotional distress Defendants' conduct causes to families who have lost loved ones.

A violation of a statute constitutes the irreparable injury necessary to issue a preliminary injunction. *See Commonwealth v. Snyder*, 977 A.2d 28, 41 (Pa. Commw. 2009) (citing *Pub. Util. Comm'n v. Israel*, 356 Pa. 400, 52 A.2d 317 (1947)); *Commonwealth v. Cole*, 709 A.2d 994, 996 (Pa. Commw. 1998). Specifically, were the Commonwealth credibly alleges a violation of the *Consumer Protection Law*, irreparable harm is presumed. *See Snyder*, 977 A.2d at 41 (citing *Cole*, 709 A.2d at 996). In *Cole*, the Commonwealth Court affirmed a trial court's preliminary injunction enjoining a physician from collecting amounts allegedly owed by former patients where the debts were time-barred. 709 A.2d at 996. Because the physician's conduct violated the *Consumer Protection Law* and various debt collection statutes, the court found the irreparable harm necessary for issuance of an injunction. 709 A.2d at 996. The Commonwealth

Court also affirmed the issuance of a preliminary injunction prohibiting defendants from selling particular types of consumer loan and investment products in *Snyder*, 977 A.2d at 41. The court found the irreparable harm requirement satisfied because the record showed that the defendants violated the *Consumer Protection Law* by engaging in deceptive conduct. *Id.* The *Snyder* court expressly rejected defendants' arguments that no irreparable harm could occur because a) the defendants were no longer selling the product at issue and b) that the pecuniary damages to consumers were already fixed. *Id.* at 41.

Here, the Defendants' continuous violations of the *Consumer Protection Law* are causing irreparable harm. Though the Stefans are no longer directly selling cemetery markers and associated products through 1843, Defendants Gregory Stefan, Jr. and Gerard Stefan are now selling the exact same or similar products for Colonial Memorials, with Defendant 1843 receiving fees for these sales. Though the Stefans claim they exercise no control over the operations of Colonial, their representation strains credulity since Colonial is owned by Stefan, Jr.'s wife, Suzanne Stefan. The Commonwealth submits that the Stefans are simply continuing their pattern of moving operations from a one company embroiled in litigation over to a new business. Since Gregory Stefan, Jr. and Gerard Stefan have begun selling products for Colonial, the Bureau has received consumer complaints alleging the same unfair and deceptive acts and practices the Stefans previously committed at Lifestone and 1843. The Stefans' violations of the *Consumer Protection Law* are continuing at Colonial Memorials, and they are causing consumers irreparable harm.

Absent this Court's issuance of an injunction, Pennsylvania consumers will also suffer a myriad of harms. The Stefans sell sensitive, personalized Cemetery Memorial Products to families who have recently suffered the death of a loved one. During these families' period of

mourning, the Stefans often visit them in their homes or at the gravesite of their deceased relatives to guide them in choosing a permanent tribute to the deceased. These families spend thousands of dollars to order cemetery markers customized to commemorate their loved ones, and they suffer severe emotional distress when the Stefans fail to deliver the headstones—in some instances for years after the orders are placed. The family members struggle to find peace when their loved ones remain in unmarked graves because of the Defendants’ failure to honor their obligations. In particular, many senior citizen consumers are acutely harmed by these excessive delays and fear that they will never see their deceased spouse’s headstone placed on his or her grave. This Court should issue a preliminary injunction to prevent these harms to grieving families.

C. The Commonwealth Is Likely to Prove that Defendants Violated the *Consumer Protection Law*.

This Court should issue a preliminary injunction because the Commonwealth has a strong likelihood of success on the merits of its claims that Defendants violated the *Consumer Protection Law*. When considering a preliminary injunction, the key question in determining whether a likelihood of success exists is “not the equivalent of stating that no factual disputes exist between the parties.” *See Ambrogi v. Reber*, 932 A.2d at 980. Instead, the “proper question is whether the party seeking the preliminary injunction produced sufficient evidence to show that ‘substantial legal questions must be resolved to determine the rights of the respective parties.’” *See id.* (quoting *All-Pak, Inc. v. Johnston*, 694 A.2d 347, 350 (Pa. Super. Ct. 1997)).

Here, the Commonwealth has pled detailed facts in the 1843 Complaint that, if proven at trial, will show extensive violations of the *Consumer Protection Law* impacting hundreds of consumers. The Commonwealth will show that Defendants engaged in deceptive business practices in failing to meet their promises and representations to timely deliver Cemetery

Memorial Products to consumers who have lost loved ones. *See* 1843 Complaint, Exh. F, ¶¶ 13, 36. Moreover, Defendants’ misled consumers by falsely representing that they were affiliated with certain cemeteries, funeral homes, and/or churches. *See id.* ¶¶ 44-47. The Commonwealth further pled that in numerous instances Defendants failed to comply or follow through on representations made to consumers regarding completion or delivery dates with regards to the goods and services to be performed and delivered. *See id.* ¶ 38. The Commonwealth has a strong likelihood of showing that Defendants’ conduct constituted unfair or deceptive acts or practices that violate the *Consumer Protection Law* *See* 73 P.S. § 201-2(4)(ii), (v), (ix), (xxi); 73 P.S. § 203.

D. A greater injury would result if this Court refused to issue an injunction than if it ordered one.

This Court should issue a preliminary injunction because a greater injury to consumers would result in the absence of an injunction than the Defendants would encounter from its entry. In issuing a preliminary injunction, Pennsylvania courts weigh the respective harm that each party would suffer if the injunction were or were not entered. *See Commonwealth v. Snyder*, 977 A.2d 28, 41 (Pa. Commw. 2009). In *Snyder*, the Commonwealth sought and obtained a preliminary injunction that prohibited a group of individual mortgage brokers who had sold illegal “wrap mortgage” products from selling any mortgage or investment products during the pendency of litigation. 977 A.2d at 42. The broker defendants forcefully argued that this injunction caused a greater harm than it prevented because without their ability to sell mortgage and investment products, they could not earn a living. *Id.* at 41-42. The Commonwealth Court affirmed the trial court’s conclusion that a greater harm would result from refusing the injunction than from granting it. The Court found the brokers’ conduct in selling illegal mortgage products to be egregious and concluded that the brokers felt “no responsibility whatsoever to the

[customers] with whom they dealt.” *Id.* at 43. Given the severity of the brokers’ conduct, the Commonwealth Court explained that “only [their] removal from the [mortgage] field pending complete review would provide protection to the public in the interim.” *Id.* at 43.

Here, like in *Snyder*, the Defendants’ conduct is so egregious that only removing them from the Cemetery Memorial Product industry while the merits of the litigation are determined is sufficient to protect the public from harm. Over two hundred consumers have filed complaints with the Bureau against 1843 and the Stefan Defendants, most of which allege that consumers paid for cemetery markers for deceased loved ones that they never received. The consumer complaints demonstrate that the Stefan Defendants personally engaged in this egregious wrongful conduct and misled consumers who were grieving a deceased family member.

The Stefans personally contacted individuals who recently lost loved ones and sought to gain their trust by claiming false affiliations with the family’s churches, funeral homes, and/or cemeteries. (See summaries of complaints from Consumers C, D, and I, Motion ¶¶ 34.) They forged emotional ties to grieving family members by meeting them at their homes or at their loved ones’ gravesites to sell Cemetery Memorial Products. (See summaries of complaints from Consumers C, I, J, L, and M, Motion ¶¶ 34, 43.) Then, after the consumers signed sale contract paid for the headstones, the Stefan Defendants failed to timely deliver the stones and ignored repeated communications from consumers regarding the status of their orders. (See summaries of complaint from Consumers A, B, H, I, L, and M, Motion ¶¶ 34, 43.) It is an egregious pattern of deception and disrespect to grieving families that the Stefans have completed hundreds of times. Like the mortgage brokers in *Snyder*, the Stefan Defendants clearly feel “no responsibility” toward the consumers they have harmed. The only way to protect Pennsylvania consumers from

further irreparable harm is to remove the Stefans from the Cemetery Memorial Product marketplace while this litigation is pending.

Compared to the harm an injunction would prevent, any harm that would result to 1843 and the Stefans is minor. First, Defendant 1843 has already voluntarily stopped selling Cemetery Memorial Products directly to consumers, and this injunction would only prevent them from indirectly doing the same. Second, Defendant Gregory Stefan, Sr. is already prohibited from selling Cemetery Memorial Products pursuant to the Stipulated Contempt Order in the Limestone Litigation, so he will suffer no harm at all.⁷ Third, Defendants Gregory Stefan, Jr. and Gerard Stefan will be prohibited from selling Cemetery Memorial Products only for a period of months until trial in this matter occurs in late 2022,⁸ so any financial harm they would suffer would be very limited in scope. Further, the requested injunction is narrowly tailored to prohibit only sales of new Cemetery Memorial Products. The Defendants can continue to deliver and set cemetery markers for orders already placed, so that those consumers can receive the products they ordered as quickly as possible. This Court should reject any argument by the 1843 Defendants that the injunction would prevent them from fulfilling existing orders, because consumers have already paid for those products. Income coming into 1843 through Colonial for sales of new headstones should not impact the abilities of 1843 and the Stefan Defendants to fulfill existing orders for which they have already received payment.

E. The Requested Injunction Will Restore the Status Quo.

This Court should issue a preliminary injunction against Defendants because it will restore the status quo that existed before Defendants violated the *Consumer Protection Law*. The

⁷ Nothing in the proposed preliminary injunction is inconsistent with Stefan, Sr.'s obligations under the Stipulated Contempt Order.

⁸ Under the current Case Management Order, the instant litigation is scheduled for the court's four-week trial pool commencing November 3, 2022.

status quo to be maintained by a preliminary injunction is “the last actual, peaceable and lawful non-contested status which preceded the pending controversy.” *See Valley Forge Historical Soc. v. Washington Memorial Chapel*, 493 Pa. 491, 426 A.2d 1123 (1981). “The relevant standard requires that an injunction must address the *status quo* as it existed between the parties before the event that gave rise to the lawsuit, not to the situation as it existed after the alleged wrongful act but before entry of the injunction.” *Ambrogi v. Reber*, 932 A.2d 969, 979-80 (Pa. Super. 2007). Here, the proposed injunction would appropriately restore the status quo by prohibiting the 1843 Defendants from selling new Cemetery Memorial Products. The Bureau has received consumer complaints about businesses associated with the Stefans dating as far back as 2010. The appropriate status quo is not before the 1843 Defendants started their affiliation with Colonial Memorials; rather, it is before they started selling the Cemetery Memorial Products that are the subject of the instant litigation. For this reason, the status quo requirement is satisfied.

F. The Injunction is Crafted to Abate the Offending Activity, and the Public Interest Weights in Favor of Issuing an Injunction.

The Commonwealth’s petition satisfies the final two elements of the preliminary injunction standard—it is effectively designed to abate the Defendants’ wrongful conduct and entry of the preliminary injunction would be in the public interest.

Here, the Commonwealth’s requested injunctive relief prevents Defendants from selling Cemetery Memorial Products in Pennsylvania or to Pennsylvania consumers. This would plainly prevent 1843 and the Stefans from deceiving customers to induce sales and from selling any further products to consumers that they fail to deliver. Moreover, the injunction does not restrain Defendants from taking action to remedy the harm suffered by consumers who have already placed orders for memorials with 1843. They can continue delivering and placing memorials to clear the backlog of customer orders the company has.

Entry of the preliminary injunction would also serve the public interest by temporarily removing deceptive actors from the Cemetery Memorial Product marketplace. The Commonwealth brings this action seeking injunctive relief in the public interest. *See* 73 P.S. § 201-4 (authorizing the Attorney General to seek preliminary injunctive relief where such “proceedings would be in the public interest”); *see also* 1843 Complaint, Exh. F, ¶¶ 32-33 (pleading that the Attorney General brings the action in the public interest.) The Commonwealth has pled that 1843 and the Stefan Defendants are selling Cemetery Memorial Products to Pennsylvania consumers, but failing to deliver the markers for which the consumers have paid. Further, the Commonwealth has pled that Defendants are deceiving consumers about their affiliations with cemeteries and funeral homes and the status of the consumers’ orders. The public interest weighs heavily in favor of stopping Defendants from selling any further Cemetery Memorial Products where, as here, there is a high risk given the Defendants’ prior conduct that consumers will not have their orders fulfilled.

V. CONCLUSION

For the foregoing reasons, the Commonwealth respectfully requests that this Honorable Court grant the Commonwealth’s Petition for Preliminary Injunction and enter an Order directing preliminary injunctive relief, including:

- a) Enjoining Defendant 1843 from engaging in any trade and/or commerce within the Commonwealth of Pennsylvania or with consumers residing in the Commonwealth of Pennsylvania involving the advertising, marketing, or selling of Cemetery Memorial Products;
- b) Enjoining the Stefan Defendants from engaging in trade and/or commerce within the Commonwealth of Pennsylvania or with consumers residing in the Commonwealth of Pennsylvania, in any ownership or managerial capacity, including but not limited to, as owner,

registered agent, stockholder, partner, member of a limited liability company, principal, director, manager, project manager, contractor or subcontractor, of any business other than 1843, LLC that sells Cemetery Memorial Products;

c) Enjoining the Stefan Defendants from engaging in the following conduct as it pertain to any business other than 1843 LLC that sells Cemetery Memorial Business Products:

1. Exercising any control or decision-making authority over such business;
 2. Controlling or participating in the collection or expenditure of monies related to the activities of such business; and
 3. Having any contact or interaction with consumers or being involved in any way in the advertising, marketing, or selling of Cemetery Memorial Products;
- and

d) Granting such further relief as this Court deems appropriate to effectuate the purposes of the relevant Orders and laws.

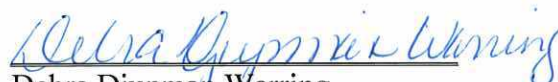
Respectfully submitted,

COMMONWEALTH OF PENNSYLVANIA
OFFICE OF ATTORNEY GENERAL

JOSH SHAPIRO
ATTORNEY GENERAL

Date: April 28, 2022

By:




Debra Djupman Warring
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VERIFICATION

I, Samantha Joyce, hereby state that I am a Consumer Protection Agent and verify that the statements made in the Commonwealth's *Petition for Preliminary Injunction* are true and correct to the best of my knowledge or information and belief. I understand that the statements made therein are made subject to the penalties of 18 Pa. C.S. § 4904, relating to unsworn falsification to authorities.

Date: 04/25/2022


Samantha Joyce
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COMMONWEALTH OF PENNSYLVANIA :
 By Attorney General Josh Shapiro, :
 :
Plaintiff, :
 :
 v. :
 :
1843, LLC, d/b/a Lifestone by Stefan; :
GREGORY J. STEFAN, SR., individually and :
d/b/a Lifestone by Stefan; :
GREGORY J. STEFAN, JR., individually, :
d/b/a Lifestone by Stefan, and :
GERARD STEFAN, individually :
d/b/a Lifestone by Stefan, :
 :
Defendants. :
 :
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No. CV-2021-006914

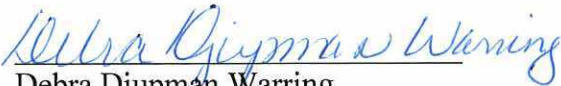
CIVIL ACTION – EQUITY

CERTIFICATE OF SERVICE

I, Debra Djupman Warring, do hereby certify that a true and correct copy of the foregoing Petition for Preliminary Injunction and Memorandum of Law in support thereof was served upon the following via first class mail and e-mail on the following date:

Christian J. Hoey, Esquire
 Law Office of Christian J. Hoey
 50 Darby Road
 Paoli, PA 19301
Counsel for Defendants

Date: April 28, 2022

By: 
 Debra Djupman Warring
Deputy Attorney General

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