Katherine Worthman (DC Bar No. 488800)
Naomi Takagi (NY Bar No. 5217252)
Stephanie Cox (VA Bar No. 90647)
Email: kworthman@ftc.gov; ntakagi@ftc.gov; scox@ftc.gov
Federal Trade Commission
600 Pennsylvania Ave., NW, Mail Drop CC-10232
Washington, DC 20580
Telephone: (202) 326-2929 (Worthman)
Facsimile: (202) 326-3768
Attorneys for Plaintiff
Federal Trade Commission

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF ARIZONA

Federal Trade Commission, Plaintiff, v. Tate's Auto Center of Winslow, Inc., et. al. Defendants, and Linda Tate, Relief Defendant	Case No. 3:18-cv-08176-DJH **JOINT REPORT ON SETTLEMENT TALKS**

On January 21, 2020, the parties met in person for settlement discussions as required by this Court's Orders (DE 24, 84). In attendance on behalf of the Federal Trade Commission ("FTC") were FTC counsel Katherine Worthman and Naomi Takagi. In attendance on behalf of the Defendants were defendant Richard Berry, Craig McCarthy (counsel to Defendants), and Michael Jones representing the Bankruptcy Trustee of the Corporate Defendants. The parties exchanged drafts of proposed final orders prior to the meeting, and discussed both monetary and injunctive relief to resolve the matter.

With respect to the Corporate Defendants, the Trustee and the FTC are continuing conversations regarding settlement. With respect to the Individual Defendant and the Relief Defendant, the parties engaged in discussions but resolution by settlement is not expected at this time.

Respectfully submitted,

Dated: January 24, 2020

/s/ *Katherine Worthman*
Katherine Worthman

Federal Trade Commission
600 Pennsylvania Ave., NW
Mail Drop CC-10232
Washington, DC 20580
Email: kworthman@ftc.gov
Telephone: (202) 326-2929
Facsimile: (202) 326-3768
Attorney for Plaintiff
Federal Trade Commission

/s/ *Craig A. McCarthy* (with permission)
Craig A. McCarthy
Gust Rosenfeld P.L.C.

Attorney for Defendants Tate's Auto Center of Winslow, Inc., Tates Automotive, Inc., Tate Ford-Lincoln-Mercury, Inc., Tate's Auto Center of Gallup, Inc., and Richard Berry, and Relief Defendant Linda Tate

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the forgoing **JOINT REPORT ON SETTLEMENT TALKS** was filed electronically using the CM/ECF system that will automatically send e-mail notification of such filing to all attorneys of record.

Respectfully submitted,

Dated: January 24, 2020

/s/ *Katherine Worthman*
Katherine Worthman
Attorney for Plaintiff
FEDERAL TRADE COMMISSION