UNITED STATES OF AMERICA
CONSUMER PRODUCT SAFETY COMMISSION

In the Matter of MAXFIELD AND OBERTON HOLDINGS, LLC AND ZEN MAGNETS, LLC Respondents.	)	CPSC DOCKET NO. 12-1 CPSC DOCKET NO. 12-2

In the Matter of STAR NETWORKS USA, LLC Respondent.	)	CPSC DOCKET NO. 13-2

COMPLAINT COUNSEL'S MOTION TO CONSOLIDATE PROCEEDINGS

On December 17, 2012, Complaint Counsel in CPSC Docket Nos. 12-1 and 12-2 initiated an adjudicative proceeding against Star Networks USA, LLC ("Star Networks" or "the Firm"), an importer and distributor of aggregated masses of high-powered, small rare earth magnets under the brand name Magnicube ("Subject Products"). The Subject Products are substantively identical to the aggregated masses of high-powered, small rare earth magnets manufactured and distributed by Respondents Maxfield and Oberton Holdings, LLC ("M&O") and Zen Magnets, LLC ("Zen"). On July 27, 2012, Star Networks represented to Consumer Product Safety Commission ("CPSC") staff that it would voluntarily stop distributing and selling the Subject Products, effective July 31, 2012. Subsequently, the Firm notified CPSC staff that it was

considering modifications to the product's packaging, warnings, and shapes. However, at no time did the Firm provide sufficiently detailed proposals regarding any such product, packaging, or warnings changes for staff's consideration and staff is unaware that any such changes were in fact made. On November 13, 2012, the Firm, through counsel,[1] informed CPSC staff that Star Networks intended to resume selling the Subject Products. CPSC staff requested that Star Networks renew its commitment to stop sale voluntarily and submit a voluntary corrective action plan, but Star Networks refused to stop sale and produced no formal corrective action plan for staff's consideration. On November 15, 2012, and again on December 7, 2012, counsel for the Firm confirmed in writing to CPSC staff that Star Networks had resumed sale of the Subject Products.

On December 17, 2012, Complaint Counsel filed an administrative complaint against Star Networks (attached as Exhibit A) seeking, among other relief, that the Commission determine that the Subject Products are a substantial product hazard under section 15 of the Consumer Product Safety Act ("CPSA") and order Star Networks to stop importing and distributing the Subject Products. The administrative complaint against Star Networks alleges the same violations of the CPSA and seeks identical relief as the amended complaints against M&O and Zen.

Complaint Counsel moves to consolidate the adjudicative proceeding against Star Networks at CPSC Docket No. 13-2 with CPSC Dockets No. 12-1 and 12-2. On October 30, 2012, CPSC Dockets No. 12-1 and 12-2 were consolidated before this Court. Pursuant to Commission Regulations at 16 C.F.R. § 1025.19, the proceeding against Star Networks should

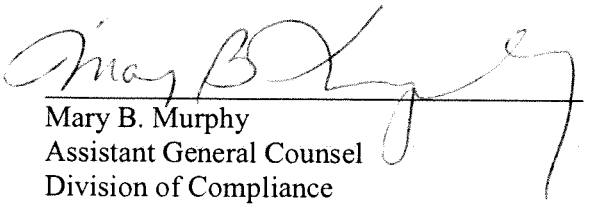
[1]David C. Japha, the same attorney who is representing Zen in CPSC Docket No. 12-2, informed CPSC staff that he is Star Networks' new attorney.

also be consolidated with Docket Nos. 12-1 and 12-2 because the proceedings "involve similar issues" that can be resolved more consistently and efficiently in consolidated proceedings than in separate proceedings. As Chief Judge McKenna stated in his October 30, 2012 order consolidating CPSC Dockets No. 12-1 and 12-2, "[h]aving a single judge hear and decide two cases that share similar legal and factual issues relating to the alleged hazards posed by these rare earth magnets under the same statute, with virtually the same counts alleged and the same relief sought, is preferable to having two proceedings in separate venues." Order Granting CPSC's Motion to Consolidate Proceedings at 10.

Judge McKenna's reasoning applies equally to the Star Networks administrative matter because it shares the same legal and factual issues as the cases against M&O and Zen, and Complaint Counsel seeks the same relief as in those proceedings. The facts and rationale supporting consolidation are further described in the attached Memorandum of Points and Authorities in Support of Complaint Counsel's Motion to Consolidate Proceedings.

Wherefore, Complaint Counsel requests that the Presiding Officer grant this motion and consolidate CPSC Docket No. 13-2 naming Star Networks as Respondent with the previously consolidated proceedings of CPSC Dockets No. 12-1 and 12-2. Because no Presiding Officer has been assigned yet to the new administrative proceeding at CPSC Docket No. 13-2, Complaint Counsel will also send a courtesy copy of this motion to Acting Chief Administrative Law Judge Parlen L. McKenna.

Respectfully submitted,



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