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State orders Springfield couple to cease and desist

Ronald and Rita Elder allegedly failed to disclose facts about their company's new invention

(Salem) — The Oregon Department of Consumer and Business Services issued a cease-and-desist order and assessed \$10,000 in fines against Ronald R. Elder and Rita M. Elder of Springfield for failing to disclose material facts about their company, Elder Research Corporation, and the principals involved with the company when they sold stock in the company to Oregon residents. The \$10,000 penalty against the couple and their company is suspended as long as the Elders do not commit any further violations and is waived after five years if they have not violated the law. The Elders agreed to cease and desist from further violations of the Oregon Securities Law.

Elder Research Corporation reportedly was attempting to develop a new type of Stirling (external combustion) engine. In soliciting investors, the Elders failed to disclose pertinent facts about Ronald Elder's background, and the background of other principals involved with the firm. The company also failed to disclose material facts to investors about prior unsuccessful efforts to produce a similar engine. The failure to disclose material facts to investors is a violation of the Oregon Securities Law.

"We urge investors to check out any investment opportunity involving 'new inventions' before risking their money," said David Tatman, Division of Finance and Corporate Securities administrator. "Often the 'new inventions' are not new, and the people touting them have not registered the stock offering, so the state has not had the opportunity to review the offering for its merit."

DFCS can help investors by providing licensing, registration, and enforcement history information on individuals and companies involved in the offer and sale of securities. You can call DFCS toll-free (866) 814-9710, (503) 378-4140 in Salem, or go to www.dfcs.oregon.gov and click on "Securities."

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