

## Supreme Court Sends Coverdale's Appeal to Appellate Court in JZK Case

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The Washington State Supreme Court has decided not to hear an appeal by former Ramtha School of Enlightenment student Virginia Coverdale.

Coverdale had sought direct review by the Supreme Court, bypassing the Court of Appeals.

On July 9, the Supreme Court transferred the case to Division Two of the Court of Appeals and ordered that a stay of enforcement of the judgment against Coverdale remain in place pending further action by the appellate court.

After the case is decided by the appellate court, either party can appeal the case to the Supreme Court, said Wendy Ferrell, of the court's office of communications and public outreach, in an email. The Supreme Court would not be required to hear the case, she said.

Thurston County Superior Court Judge Gary Tabor granted a motion for summary judgment in JZK, Inc.'s favor last July and ordered Coverdale to pay more than \$600,000 in court costs and attorney's fees.

The case stems from videos Coverdale posted to YouTube in October 2012 showing Knight, as 35,000-year-old Lemurian warrior Ramtha, making disparaging remarks about Catholics, Mexicans, gays and Jewish people. The company contends the videos were taken out of context and sued Coverdale for violating a contract she signed when she was an RSE student. The contract includes prohibitions against disseminating information from the school.

"I am elated to know that the Supreme Court decided not to question the trial court, who saw the potential harm to the well-established contract laws as they apply to private entities," JZK, Inc. President JZ Knight stated in a press release. "This decision sends a clear message to those who enter into contracts that contracts are enforceable and upheld in Washington state, even when those who enter into contracts later declare they were adversely impacted."

The appellate court will review JZK, Inc.'s motion to dismiss the appeal for lack of merit, and consider whether or not to continue a temporary stay of the company's effort to collect the judgment against Coverdale, according to the company's press release.

"Ms. Coverdale's appeal is based entirely on trial court orders that were properly issued according to controlling settled law, and clearly within the discretion of the trial court," stated JZK, Inc.'s

attorney Jeffrey Grant. “As a result, the appeal is meritless and should be dismissed in its entirety.”

Breckan Scott, Coverdale’s lawyer, said it didn’t come as a surprise the Supreme Court didn’t take the case.

“Petitions for direct review are rarely granted, and, as in this case, transfers to the Court of Appeals in no way implicate an opinion about the underlying merits of the appeal,” Scott stated in an email. “In fact, the Supreme Court could have opted to grant JZK, Inc.’s Motion on the Merits thus dispensing with the case entirely. However, it is disturbing that, once again, JZK, Inc. has misconstrued a routine transfer order and fabricated a misleading press release to continue a campaign of misinformation in our community.”