

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 90168 / October 14, 2020

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 4188 / October 14, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-20123

<p>In the Matter of</p> <p style="text-align:center">ALLEN GARNER,</p> <p>Respondent.</p>
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**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO RULE 102(e) OF THE
COMMISSION’S RULES OF PRACTICE,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Allen Garner (“Respondent” or “Garner”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Public Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions ("Order"), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Garner, age 58, is a resident of Granite Bay, California. From May 2015 to August 2016, Garner served as the Chief Financial Officer for Value Lighting, the largest division of Revolution Lighting Technologies, Inc. ("Revolution"). Garner currently works as the Vice President of Finance of a private company, in Roseville, CA. He has never been a licensed CPA.

2. Revolution is a Delaware corporation headquartered in Stamford, Connecticut. Revolution is a manufacturer and marketer of LED lighting solutions for customers in the industrial, multi-family housing, commercial and government markets in the United States. Until October 14, 2019, Revolution's common stock traded on the NASDAQ (RVLT). On June 29, 2020, the Commission temporarily suspended trading in Revolution's securities because it was delinquent on its periodic filings with the Commission.

3. On September 24, 2020, the Commission filed a complaint against Garner in the civil action entitled SEC v. Revolution Lighting Technologies, Inc. et al, Civil Action No. 3:20-cv-01440-CSH, in the United States District Court for the District of Connecticut. On October 9, 2020, the court entered an order permanently enjoining Garner, by consent, from future violations of Section 17(a) of the Securities Act of 1933 and Sections 10(b), 13(a), 13(b)(5), 13(b)(2)(A), 13(b)(2)(B) of the Securities Exchange Act of 1934 and Rules 10b-5, 12b-20, 13a-1, 13a-11, 13a-13, 13b2-1, and 13b2-2 thereunder. Garner was also ordered to pay a \$25,000 civil money penalty.

4. The Commission's complaint alleged, among other things, that from at least the second quarter of 2015 through the second quarter of 2016, Garner as CFO of Revolution's largest division engaged in accounting practices that operated as a fraud and resulted in Revolution improperly recognizing revenue and reporting materially false revenue amounts in its financial statements filed with the Commission. The Complaint alleged that Garner along with other Revolution executives inflated the revenue Revolution reported quarterly and at year-end by counting revenue from sales much earlier than accounting rules and Revolution's own revenue recognition policies permitted. The Complaint alleged Garner inflated the revenue by improperly accounting for "bill and hold" transactions, for which Revolution recognized revenue from the sale of lighting products before ever delivering those products to the customer.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Garner's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Garner is suspended from appearing or practicing before the Commission as an accountant.

B. After five years from the date of this order, Garner may request that the Commission consider his reinstatement by submitting an application (attention: Office of the Chief Accountant) to resume appearing or practicing before the Commission as an accountant.

By the Commission.

Vanessa A. Countryman
Secretary