

IN THE MATTER OF
AMERICAN HOME PRODUCTS CORPORATION

MODIFYING ORDER IN REGARD TO ALLEGED VIOLATION OF SEC. 5 OF THE
FEDERAL TRADE COMMISSION ACT

*Docket 8918. Modified Order To Cease and Desist, April 8, 1983—
Modifying Order, Feb. 7, 1984*

This order modifies the Commission's Modified Order to Cease and Desist issued on April 8, 1983 (101 F.T.C. 698), to permit the company to substantiate superiority or freedom-from-side-effects claims with competent and reliable scientific evidence, as is required of its competitors, Bristol-Meyers Co. and Sterling Drug Co. Previously, the company was required to substantiate such claims with two or more well-controlled clinical investigations.

ORDER MODIFYING ORDER TO CEASE AND DESIST

In response to the Commission's Order to Show Cause issued January 12, 1984, respondent American Home Products Corporation (AHP) and complaint counsel have consented to modify the Order of April 8, 1983 [101 F.T.C. 698] in this matter to allow AHP to make comparative analgesic efficacy claims under paragraph I(B) that are based on the reasonable basis standard for such claims established in the Commission's decisions in *Bristol-Myers Company*, Docket No. 8917 [102 F.T.C. 21] and *Sterling Drug, Inc.*, Docket No. 8919 [102 F.T.C. 395]. The Commission agrees that such modification should be made.

Accordingly, *it is hereby ordered* that the Order be reopened and paragraph I(B) thereof be modified by adding the word "or" to the end of paragraph I(B)(2) and adding the following new paragraph I(B)(3):

3. Respondent, at the time such representation is made, possesses a reasonable basis for making that representation. A reasonable basis for such a representation shall consist of competent and reliable scientific evidence supporting it.

It is further ordered, That with this modification, the Commission's stay of paragraph I(B) is hereby lifted and the entire Order as modified shall take effect 90 days from our January 12, 1984 order, as contemplated by our Stay order of April 8, 1983.

Interlocutory Order

103 F.T.C.

IN THE MATTER OF

GENERAL MOTORS CORPORATION, ET AL.

File No. 821 0159. Interlocutory Order, Feb. 7, 1984

The Commission dismissed in part and denied in part Chrysler Corporation's petition seeking release of GM, Toyota and staff documents and analyses on which the Commission based its decision to provisionally accept the consent agreement permitting the GM/Toyota joint venture to manufacture new small cars in the U.S. The Commission noted that staff documents and the GM/Toyota memorandum of understanding were already on the public record. The Commission denied a request to disclose those portions of staff documents that contained trade secrets or commercial or financial information. In denying Chrysler's request for an extension of the 60-day comment period, the Commission stated that adequate time remains for interested persons to review the staff documents and complete their comments.

ORDER DISMISSING IN PART AND DENYING IN PART PETITION BY
CHRYSLER CORPORATION FOR DISCLOSURE OF CERTAIN NON-PUBLIC
INFORMATION AND EXTENSION OF PUBLIC COMMENT PERIOD ON A
PROPOSED CONSENT AGREEMENT

On January 10, 1984, Chrysler Corporation filed a petition in File No. 821 0159. That file concerns an agreement to a proposed consent order with General Motors Corporation and Toyota Motor Corporation that the Commission has provisionally accepted. The agreement has been placed on the public record for 60 days so that interested persons may comment on it [48 FR 57246 (Dec. 28, 1983)]. At the close of this period the Commission will review the agreement and the comments received, and will decide whether it should withdraw from the agreement or make final the proposed consent order, in accordance with its rules. 16 C.F.R. 2.34 (1983). [103 F.T.C. — (1984)]

The agreement concerns a joint venture between General Motors and Toyota which those firms proposed in a memorandum of [2] understanding dated February 17, 1983. The joint venture would manufacture small new automobiles in the United States.

Chrysler's petition requests the Commission to [1] "release the GM, Toyota and staff documents and analyses on which it acted [in provisionally accepting the agreement], and [2] provide that the 60-day comment period does not expire until 60 days after those documents have been released."

Chrysler's Contentions

The petition complains that the memorandum of understanding between General Motors and Toyota has been improperly redacted to