

IN THE MATTER OF
BLUE LUSTRE HOME CARE PRODUCTS, INC.

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

Docket C-3195. Complaint, Aug. 1, 1986—Decision, Aug. 1, 1986

This consent order requires, among other things, an Indianapolis, Ind. manufacturer and marketer of chemical products and equipment for home and car care, to cease making unsubstantiated efficacy claims for "Rinsenvac 5", a carpet cleaning fluid sold to retailers in connection with the sale of rental do-it-yourself carpet cleaning machines.

Appearances

For the Commission: *Toby M. Levin and Joel C. Winston.*

For the respondent: *John R. Thornburgh, Ice, Miller, Donadio & Ryan, Indianapolis, Ind.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Blue Lustre Home Care Products, Inc., a corporation, ("Blue Lustre" or "respondent") has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Blue Lustre is an Indiana corporation, with its offices and principal place of business at 7950 Castleway Drive, Indianapolis, Indiana.

PAR. 2. Respondent manufactures, advertises, offers for sale, and sells chemical products and equipment for the home and car care markets, including Rinsenvac 5 carpet cleaning product.

PAR. 3: The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4: Typical of respondent's advertisements for Rinsenvac 5, but not necessarily all-inclusive thereof, are attached hereto as Exhibits A through D. The aforesaid advertisements contain the following statements:

(a) Independent laboratory tests of detergent effectiveness (ASTM D 3050-75) proved

Rinsenvac 5 in hot water removed more than 3X as much dirt from fibers as Rug Doctor or Thermax. Rinsenvac 5 in cold water did too. (Exhibit A)

(b) RINSENVAC loves a challenge! And so when we were asked to submit our new RINSENVAC 5 Cleaner to an independent laboratory to test detergent effectiveness, we jumped at the opportunity. Using hot water and following the recommended mixing procedures, RINSENVAC 5 went head to head with RUG DOCTOR and THERMAX. And we won. RINSENVAC 5 removed over three times as much dirt as Rug Doctor and three and a half times as much dirt as Thermax. Even when RINSENVAC 5 was used in cold water, we outcleaned the competition by a wide margin. (Exhibit B)

(c) And lab tests prove it cleans *better* in cold water than other steam carpet cleaners do in hot. (emphasis in original) (Exhibit C)

(d) New RINSENVAC 5 actually cleans carpets better in cold water than other cleaners do in hot. Independent laboratory tests prove it! (Exhibit D)

PAR. 5: Through the use of the statements referred to in Paragraph Four and other statements in advertisements not specifically set forth herein, respondent has represented, directly or by implication, that:

(a) Rinsenvac 5 cleans carpets better in cold water than other steam cleaners do in hot water.

(b) Rinsenvac 5 removes over three times as much dirt from carpets as Rug Doctor brand carpet cleaner and three and one half times as much dirt as Thermax brand carpet cleaner.

PAR. 6: Through the use of the statements and representations set forth in Paragraphs Four and Five, and others not specifically set forth herein, respondent has represented, directly or by implication, that it possessed and relied upon a reasonable basis for said representations at the time it made the representations.

PAR. 7: In truth and in fact, at such times respondent did not possess and rely upon a reasonable basis for making such representations because (a) the testing standard respondent relied upon, American Society for Testing and Materials (ASTM) D 3050-75, is not intended for comparative product ranking and is not an appropriate test standard for comparing cleaning effectiveness of carpet cleaning products, and (b) other carpet cleaning products outperformed Rinsenvac 5 in the tests relied upon by respondent. Therefore, respondent's representation as set forth in Paragraph Six was, and is, false and misleading.

PAR. 8: Through the use of the statements set forth in Paragraph Four, and others not specifically set forth herein, respondent has represented, directly or by implication, that an independent laboratory test proves that Rinsenvac 5 cleans carpets better in cold water than other steam cleaners do in hot water.

PAR. 9: In truth and in fact for the reasons stated in Paragraph Seven, an independent laboratory test does not prove that Rinsenvac 5 cleans carpets better in cold water than other steam cleaners do in hot water. Therefore, respondent's representation as set forth in Paragraph Eight was, and is, false and misleading.

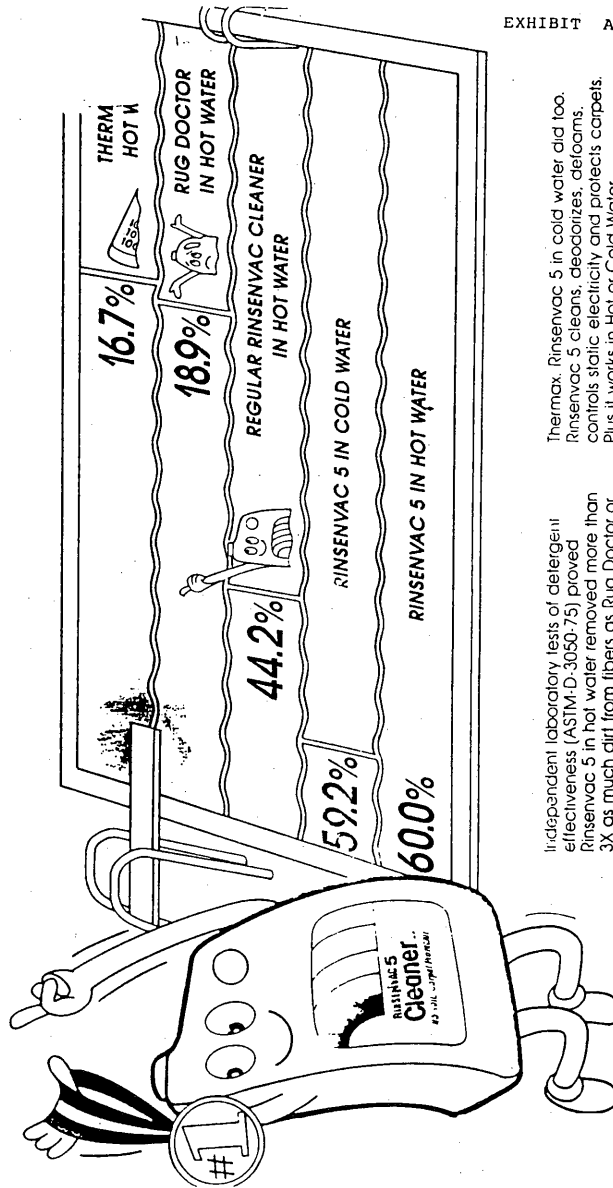
PAR. 10: The acts or practices of respondent as alleged in this complaint constitute unfair and deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

Complaint

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EXHIBIT A

In Hot or Cold Water New Rinsenvac 5 Outcleans the Others!



Thermax Rinsenvac 5 in cold water did too.
Rinsenvac 5 cleans, deodorizes, delects,
controls static electricity and protects carpets.
Plus it works in Hot or Cold Water.

Independent laboratory tests of detergent
effectiveness (ASTM-D-3050-75) proved
Rinsenvac 5 in hot water removed more than
3X as much dirt from fibers as Rug Doctor or

EXHIBIT B

In Hot or Cold Water, New RINSENVAC 5^(®) Outcleans the Others!

stock up and leave your competition in hot water

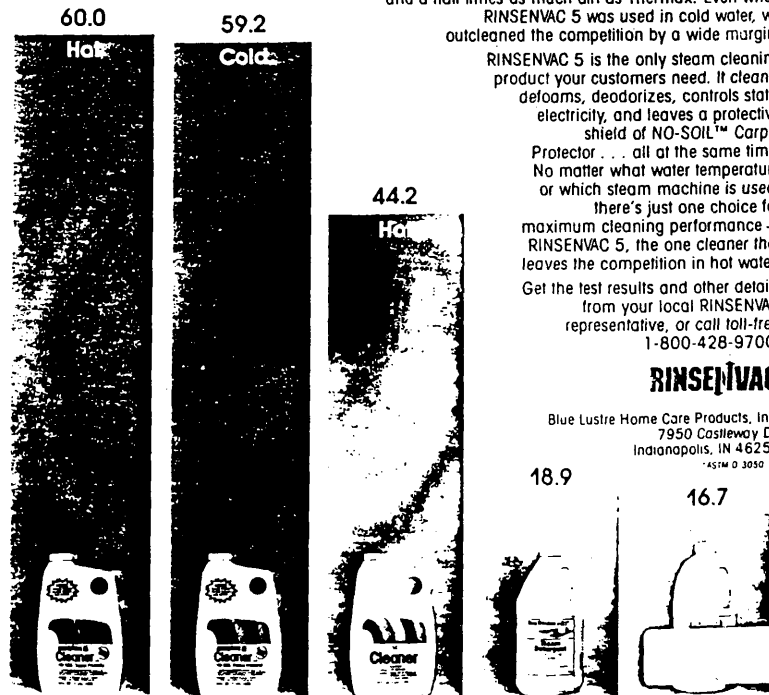
RINSENVAC loves a challenge! And so when we were asked to submit our new RINSENVAC 5 Cleaner to an independent laboratory to test detergent effectiveness,* we jumped at the opportunity. Using hot water and following the recommended mixing procedures, RINSENVAC 5 went head to head with RUG DOCTOR[®] and THERMAX[®]. And we won. RINSENVAC 5 removed over three times as much dirt as Rug Doctor and three and a half times as much dirt as Thermax. Even when RINSENVAC 5 was used in cold water, we outcleaned the competition by a wide margin.

RINSENVAC 5 is the only steam cleaning product your customers need. It cleans, defoams, deodorizes, controls static electricity, and leaves a protective shield of NO-SOIL[™] Carpet Protector . . . all at the same time! No matter what water temperature or which steam machine is used, there's just one choice for maximum cleaning performance — RINSENVAC 5, the one cleaner that leaves the competition in hot water! Get the test results and other details from your local RINSENVAC representative, or call toll-free 1-800-428-9700.

RINSENVAC

Blue Lustre Home Care Products, Inc.
7950 Castleway Dr.
Indianapolis, IN 46250

*ASTM D 3050-75



Complaint

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EXHIBIT C

EXHIBIT C

True Value
HARDWARE STORES®

RADIO SPOT

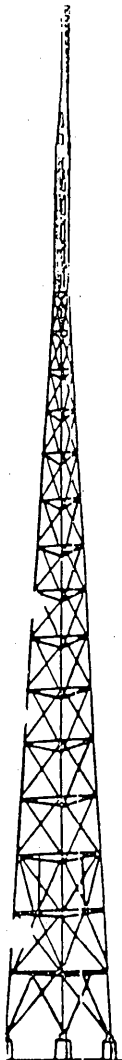
CATEGORY : NETWORK
SCRIPT # : 38L04
TITLE : BLUE LUSTRE
AIR DATE : SEPT./OCT. '84
LENGTH : 30 SECONDS

ITEM DESCRIPTION : RINSENVAC 5 CLEANER
MFR. NUMBERS : 40581

1 2 3 4 5 6 7 8 9 10

- 1 If you're still scrubbing carpets on your hands and knees
- 2 because you're afraid steam cleaning will cause shrinkage or
- 3 color damage, try Rinsenvac 5 cleaner from True Value
- 4 Hardware Stores. Hi, Pat Summerall to say this cleaner
- 5 works well in hot or cold water. An: lab tests prove it
- 6 cleans better in cold water than other steam carpet cleaners
- 7 do in hot. You'll find a 1/2-gallon bottle of Rinsenvac 5
- 8 for just \$8.99 and low rental prices on steam cleaning
- 9 machines at participating True Value Hardware Stores and
- 10 Home Centers.

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These Famous Brands Now...

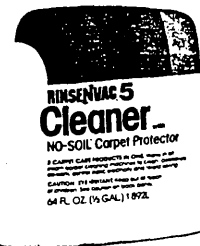
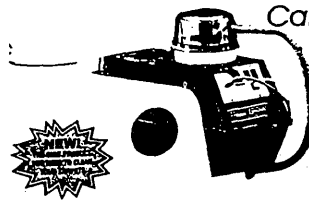


EXHIBIT D
Carpet Cleaning Breakthrough!

NEW RINSEVAC 5 WORKS IN COLD WATER FOR "STEAM" CLEANING WITHOUT WORRY!

New RINSEVAC 5 actually cleans carpets better in cold water than other cleaners do in hot. Independent laboratory tests prove it! And that means worry-free carpet cleaning, because colors won't fade as with hot water. Stains won't set. Carpets won't shrink.

What's more, RINSEVAC 5 is the only product you need to buy. It cleans. Defoams. Deodorizes. Controls static electricity. Even leaves a protective shield of NO-SOIL™ Carpet Protector. And works in any steam cleaning machine.

Whatever water temperature you choose, there's just one choice for maximum cleaning performance. New RINSEVAC 5.

GREAT FALL HARDWARE SALE



GREAT VALUES

Save now on national brands. Special prices and special offers on famous names and high quality products.

GREAT PRIZES

Enter the big sweepstakes and win one of hundreds of prizes. Use coupon on first page of this special section.

**GREAT
RETAILERS**

Visit your local participating hardware store or home center. Deposit your sweepstakes coupon and find savings plus help for all your do-it-yourself, fix-up projects.



National
Retail Hardware
Association

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent, its attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

ORDER

I.

It is ordered, That respondent Blue Lustre Home Care Products, Inc., a corporation, its successors and assigns, and respondent's officers, representatives, agents and employees, directly or through any corporation, subsidiary, division or other device, in connection with the advertising, offering for sale, sale or distribution of any carpet cleaning product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Misrepresenting, in any manner, directly or by implication, the contents, validity, results, conclusions, or interpretations of any test or study.

B. Representing in any manner, directly or by implication, any

performance characteristic, including any comparative performance of any carpet cleaning product, unless at the time of such representation respondent possesses and relies upon a reasonable basis for such representation, consisting of competent and reliable evidence which substantiates such representation; *provided, however*, that to the extent such evidence consists of any test, experiment, analysis, research, study or other evidence based on the expertise of any professional, such evidence shall be "competent and reliable" only if the test, experiment, analysis, research, study or other evidence is conducted and evaluated in an objective manner by a person qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results; and *provided further*, that for the purposes of this paragraph, testing conducted in accordance with the protocol ASTM D 3050-75 of the American Society of Testing and Materials shall not constitute competent and reliable evidence to substantiate any performance representation for any carpet cleaning product.

II.

It is further ordered, That for three years from the date that the representations are last disseminated, respondent shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials relied upon to substantiate any claim or representation covered by this order; and

B. All test reports, studies, surveys or other materials in its possession or control that contradict, qualify, or call into question such representation or the basis upon which respondent relied for such representation.

III.

It is further ordered, That respondent shall notify the Commission at least thirty (30) days prior to any proposed change in the corporation such as a dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations under this order.

IV.

It is further ordered, That the respondent shall, within sixty (60) days after service of this order upon it and at such other times as the Commission may require, file with the Commission a written report setting forth in detail the manner and form in which it has complied or intends to comply with this order.

IN THE MATTER OF

BASS BROTHERS ENTERPRISES, INC., ET AL.

CONSENT ORDER IN REGARD TO ALLEGED VIOLATION OF SEC. 5 OF THE
FEDERAL TRADE COMMISSION AND SEC. 7 OF THE CLAYTON ACTS

Docket 9178. Complaint, May 8, 1984—Decision, Aug. 6, 1986*

This consent order requires, among other things, a Fort Worth, Tex. producer of carbon black to obtain prior FTC approval for the acquisition of securities or assets of any company over a certain size in the U.S. carbon black industry.

Appearances

For the Commission: *Steven B. Feirman and Edward F. Glynn, Jr.*

For the respondents: *Charles E. Koob, Simpson, Watcher & Bartlett,*
New York City.

DECISION AND ORDER

The Commission having heretofore issued its complaint charging the respondents named in the caption hereof with violation of Section 7 of the Clayton Act, as amended, and Section 5 of the Federal Trade Commission Act, as amended, and the respondents having been served with a copy of that complaint, together with a notice of contemplated relief; and

The respondents, their attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Secretary of the Commission having thereafter withdrawn this matter from adjudication in accordance with Section 3.25(c) of its Rules; and

The Commission having considered the matter and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 3.25(f) of

* Complaint previously published at 107 F.T.C. 303.