

IN THE MATTER OF

ELEXIS CORPORATION, ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3370. Complaint, Feb.6, 1992 -- Decision, Feb. 6, 1992*

This consent order prohibits, among other things, a Miami-based manufacturer and its officer from calling its ultrasonic dog and cat collars by names such as Flea Relief, Pet Shield, Flea Buster, Flea and Tick Collar, and from representing that such collars will eliminate or repel fleas or repel ticks without the use of chemicals.

Appearances

For the Commission: *Timothy T. Hughes* and *John C. Hallerud*.
For the respondents: *Leslie D. Locke, Ross & Hardies*, Chicago, IL.

COMPLAINT

The Federal Trade Commission, having reason to believe that Elexis Corporation, a corporation, and Frank J. Bianco, individually and as an officer of Elexis Corporation, hereinafter sometimes referred to as respondents, have violated 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. (a) Respondent Elexis Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware and is authorized pursuant to the laws of the State of Florida to transact business in the State of Florida. Its office and principal place of business is at 7000 N.W. 46 Street, Miami, Florida. (b) Respondent Frank J. Bianco is an officer of the corporate respondent named herein. He has formulated,

directed and controlled the acts and practices of the corporation, including all the acts and practices set forth below. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are, and have been, engaged in the business of manufacturing, offering for sale, promoting, distributing and advertising ultrasonic pet care consumer products and other consumer products to the public, including, but not limited to, the "Microtech," "Microtech-2," "Flea Relief," "Pet Shield," "Quick Relief," "Electronic Flea Collar," "Shoo Flea," "Flea Chaser," and "Flea Buster" ultrasonic flea and tick collars, and the "Microtech Home Unit" and "Microtech Pest Repeller."

PAR. 3. Respondents' acts or practices, including those alleged in this complaint, are, and have been, in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

PAR. 4. Respondents have disseminated or have caused to be disseminated print advertisements and promotional materials for respondents' "Microtech-2" ultrasonic flea collar and other ultrasonic flea collars, and the "Microtech Home Unit" and "Microtech Pest Repeller," including but not necessarily limited to the attached Exhibits A-I. The respondents advertising, packaging, and promotional materials for such ultrasonic flea and tick collars contain the following statements:

- (a) "Repel fleas from your dog and cat with the Microtech-2 Electronic Flea Collar, the laboratory-tested and proven non-toxic method of flea control."

* * * *

"In hundreds of tests, including evaluations by veterinarians, the Microtech-2 was shown to repel fleas from both short and long haired pets." (Exhibit A).

- (b) "The comfortable Microtech-2 Flea and Tick Collar, the alternative to poisons & powders for flea control."

* * * *

"Put the Microtech-2 Flea Collar on your dog or cat and throw away your poisons. 72 hours later you will forget your pet ever had fleas."

* * * *

"Hundreds of tests were conducted under various weather conditions, and the results were consistent and dramatic. Veterinarians conducted extensive tests and the units worked to their satisfaction."

* * * *

"From a Veterinarian Report on Microtech-2

'Microtech-2 has demonstrated its effectiveness in significantly reducing, or totally eliminating fleas from pets.' " (Exhibit B).

- (c) "SHOO FLEA FOR DOGS AND CATS The new safe and easy way to make fleas stay away from pets without chemicals and poisons. "

* * * *

"The PMBC or 'Pulse Modulated Burst Circuit' creates an inaudible high frequency sound that surrounds your pet from head to tail with flea-repelling effectiveness that drives fleas off your pet." (Exhibit C).

- (d) "Quick Relief Electronic Flea Collar for Dogs and Cats." (Exhibit D).
 (e) " 'How could an electronic module worn on a pet's collar effectively repel fleas and ticks? Well, I have personally tested the collar and was very satisfied with the results.' Robert P. Knowles, DVM, Knowles Animal Hospital, Inc." (Exhibit E).

- (f) "Microtech-2 electronic flea collar

Now, there's a better way to combat annoying fleas. . .without chemicals. The Microtech-2 electronic flea collar uses Pulse Modulated Burst Circuit (PMBC) sound to repel fleas off pets." (Exhibit F).

- (g) "Microtech Home Flea Control System

Repels Fleas from Your Home Electronically

A high-intensity sound is emitted by a tiny speaker. This showers any 30 X 30 room with protection from biting, disease-carrying fleas around the clock." (Exhibit G).

- (h) "Controls Fleas in Your Home Without Chemicals"

* * * *

"PMBC Sound prevents fleas from jumping on your pet or your family" (Exhibit H).

- (i) "The Pest Repeller, utilizing the same safe and effective ultrasonic technique as the Microtech drives the fleas away from your home!" (Exhibit I).
 (j) "At the heart of our flea collar is a patented electronic 'PULSE MODULATED BURST CIRCUIT' (PMBC) which emits a high frequency sound wave that attacks the sensory system of fleas, while remaining inaudible and harmless to pets and humans." (Exhibit A).
 (k) "The PMBC or 'Pulse Modulated Burst Circuit' creates an inaudible high frequency sound that surrounds your pet from head to tail with flea-repelling effectiveness that drives fleas off your pet. The frequency is beyond the hearing range of dogs, cats and humans. Only the fleas are affected." (Exhibit C).

PAR. 5. Through the use of the statements referred to in paragraph four (a) through four (k), and others not specifically set forth in this complaint, respondents, have represented, and/or now represent, directly or by implication, that:

(a) Respondents' "Microtech-2" and other similar ultrasonic flea collars eliminate fleas on dogs and cats without the use of chemicals.

(b) Respondents' "Microtech-2" and other similar ultrasonic flea collars and flea and tick collars and the Microtech Home Unit and Microtech Pest Repeller reduce flea and/or tick populations on dogs and cats and in indoor environments without the use of chemicals.

(c) Respondents' "Microtech-2" and other similar ultrasonic flea collars and flea and tick collars and the Microtech Home Unit and Microtech Pest Repeller repel fleas and/or ticks from dogs, cats, and indoor environments without the use of chemicals.

(d) Respondents' "Microtech-2" and other similar ultrasonic flea collars and flea and tick collars produce sound at frequencies beyond the hearing ranges of dogs and cats.

(e) Respondents' "Microtech-2" and other similar ultrasonic flea collars and flea and tick collars, and the Microtech Home Unit and Microtech Pest Repeller, when used as directed, produce sound that is not heard by and does not irritate dogs, cats or other pets.

PAR. 6. Through the use of terms such as "Flea Relief" "Pet Shield," "Shoo Flea," "Flea Chaser," "Flea Buster," "flea collar," "flea and tick collar," and "pest repeller" in advertising, marketing, and packaging the "Microtech-2" and other similar ultrasonic flea and flea and tick control products, respondents have represented, and now represent, directly or by implication, that respondents' "Microtech-2" and other similar ultrasonic flea and tick control products repel fleas and/or ticks from dogs, cats, and indoor environments and reduce flea and/or tick populations on dogs and cats and in indoor environments without the use of chemicals.

PAR. 7. Through the use of the statements referred to in paragraph four (a), (b), and (e) respondents have represented that laboratory and veterinarian tests conducted in accordance with scientifically acceptable procedures have substantiated the claim that the "Microtech-2" and other similar flea collars and flea and tick collars repel fleas and/or ticks from dogs and cats and reduce or eliminate flea and/or tick populations on dogs and cats without the use of chemicals.

PAR. 8. Through the use of the statements referred to in paragraph four (a) through four (k) respondents have represented that at

the time they made the representations in paragraphs five (a) through five (e), six, and seven they possessed and relied upon a reasonable basis for the representations.

PAR. 9. The representations set forth in paragraphs five through eight are false and misleading. In truth and in fact:

(a) Respondents' Microtech-2 and other similar ultrasonic flea collars do not eliminate fleas on dogs and cats without the use of chemicals.

(b) Respondents' Microtech-2 and other similar ultrasonic flea collars and flea and tick collars, and the Microtech Home Unit and Microtech Pest Repeller do not reduce flea and/or tick populations on dogs and cats and in indoor environments without the use of chemicals.

(c) Respondents' Microtech-2 and other similar ultrasonic flea collars and flea and tick collars, and the Microtech Home Unit and Microtech Pest Repeller do not repel fleas and/or ticks from dogs, cats, or indoor environments without the use of chemicals.

(d) Respondents' Microtech-2 and other similar ultrasonic flea and flea and tick collars do produce sound at frequencies within the hearing range of dogs and cats.

(e) Respondents do not have laboratory and veterinarian tests conducted in accordance with scientifically acceptable procedures that substantiate the claim that the "Microtech-2" and other similar flea collars and flea and tick collars repel fleas and/or ticks from and reduce or eliminate flea and/or tick populations on dogs or cats without the use of chemicals.

(f) At the time respondents made the representations in paragraphs five (a) through five (e), six and seven they did not possess and rely upon a reasonable basis for those representations.

PAR. 10. Respondents' dissemination of the aforesaid false and misleading representations and the placement in the hands of others of means and instrumentalities by and through which others may have used the aforesaid false and misleading representations constitute deceptive acts or practices in or affecting commerce and the making of false advertisements in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. 45(a).

EXHIBIT A

NEW **microtech-2TM**
Electronic Flea Collar



**AVOID
POISONS AND HARMFUL CHEMICALS**

Over 1 Million Satisfied Customers.
 Repel fleas from your dog and cat with the Microtech-2 Electronic Flea Collar, the laboratory-tested and proven non-toxic method of flea control.

How It Works.
 At the heart of our flea collar is a patented* electronic "PULSE MODULATED BURST CIRCUIT" (PMBC) which emits a high frequency sound wave that attacks the sensory system of fleas, while remaining inaudible and harmless to pets and humans.

The Logical Choice For Flea Control
 If you don't like the idea of working with poisons, chemicals and dips... or the hassle of trying to apply them to your pet, pick-up a Microtech-2 Electronic Flea Collar. You'll be amazed at the results.

Veterinarian Tested... 100% Safe.
 In hundreds of tests, including evaluations by veterinarians, the Microtech-2 was shown to repel fleas from both short and long haired pets. And it did this with no reported adverse reactions or side effects. Results were consistent in a variety of weather conditions and frequently dramatic... even in cases of heavy infestation.

Easy To Use... New Lower Price.
 Microtech-2 comes in models for both dogs and cats. The cat model (in white) features a safety designed break-away collar. The dog model (in tan) uses a sturdy, long lasting nylon collar. Both come complete with a replaceable long-life lithium battery, test light and a 1-year limited warranty.

Satisfaction Guaranteed!
 Use our collar for at least 30 days. Then if you are not satisfied with the improvement, we offer a Money Back Guarantee. Simply return the unit to the place of purchase for a full refund.** (For difficult cases, Veterinarians recommend that you fog or spray the home and yard one or two times to cleanse the environment.)

ELEXIS
 Miami, Florida
 Available in The Camera Department At:
ECKERD
 Where
 Cameras
 Meet
 You
KERR
 Drug Stores

*U.S. Patent #,725,995. International Patents Pending. **Check with place of purchase regarding store's return policy.

Complaint

115 F.T.C.

EXHIBIT B



The comfortable Microtech-2® Flea and Tick Collar, the alternative to poisons & powders for flea control.

Lowest
Price
Ever!

NO MORE POISONS

Fleas gone or your money back.

"Introducing the Microtech-2® Flea Collar, the revolutionary new breakthrough in flea control."

Put the Microtech-2® Flea Collar on your dog or cat and throw away your poisons. 72 hours later you will forget your pet ever had fleas.

It's that easy. Once every 12 months you change the battery. That's it!

HOW DOES IT WORK?

The Microtech-2® Flea Collar uses PMBC™ (Pulsed Modulated Burst Circuit), fancy words, but one of the Microtech-2® engineers explained it this way.

Have you ever found yourself near a loud siren or alarm? Didn't you want to get away from the noise? Now multiply this effect several times and you'll have an idea of what is happening to the fleas **FLEAS CAN'T STAND IT! THEY'VE GOT TO GET OUT!** And they do.

WHO TESTED ITS EFFECTIVENESS?

Hundreds of tests were conducted under various weather conditions, and the results were consistent and dramatic. Veterinarians conducted extensive tests and the units worked to their satisfaction.

From a Veterinarian Report on Microtech-2®

"Microtech-2® has demonstrated its effectiveness in significantly reducing, or totally eliminating fleas from pets."

R.P.K., DVM

IS IT SAFE?

In over 2 years of testing, no adverse reactions were reported. The frequency of waves put out are tuned to the perception of fleas and are fully out of the range of human and dog hearing. Yet it is as loud as standing next to a jackhammer for pests, and there is no shock hazard when wet or dry.

Compare this to the poisons and chemicals in conventional flea collars, shampoos and sprays, or to the side effects that certain drugs for flea treatment can have on your dog, (not to mention the effects these poisons may have on you or your children).

IS IT EASY?

Unless you enjoy:

- chasing your pet for hours every week to bathe him
- seeing him roll around in the dirt after every bath
- hassling with chemicals and powders.

Then the Microtech-2® Flea Collar is for you.

IS THERE ANYTHING ELSE TO BUY?

No. Microtech-2® is supplied complete with a durable nylon collar, long life lithium battery and a 1 year limited warranty.

MONEY BACK GUARANTEE

The Microtech-2® Flea Collar is very sturdy, made for and tested on active pets. If you are not completely satisfied with the reduction in fleas, you may return the unit to place of purchase for a full refund.*

What Satisfied Users Say

We tell everyone we can about your product — our vet was impressed too! It's so nice not to have fleas in the house since our cat doesn't bring them in!

A.W., Pt. Arthur, TX

Last year our beloved Irish Setter Kerry was so flea prone, even with all the veterinary help offered, allergy pills, etc. she had to wear a huge Elizabethan collar around the dock to keep her from ripping out her fur. The flea situation with Kerry was hopeless. NO MORE she is never without her collar, and not a trace of fleas...Thanks from Kerry, and from us.

P.B., Knoxville, TN

We now have two contented beagles, each with one of your collars. The flea and tick problem at our house is nonexistent.

G.R., Key West, FL

* Time allowed for return or refund may vary by state claim. Please check with your store to determine what their refund policy is.

ELEXIS

Elexis Corporation
Miami, Florida

LK000022

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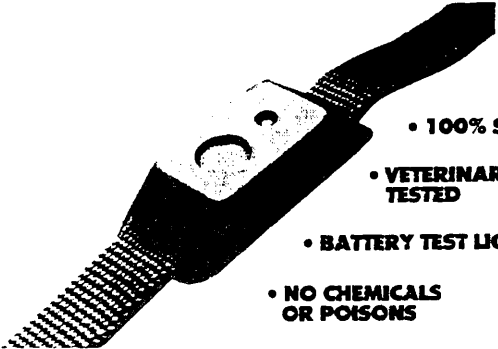
EXHIBIT

EXHIBIT C

Introducing

Shoo-Flea

ELECTRONIC FLEA COLLAR



- 100% SAFE
- VETERINARIAN TESTED
- BATTERY TEST LIGHT
- NO CHEMICALS OR POISONS



- OVER 1 MILLION SOLD

**SHOO FLEA™ ELECTRONIC FLEA COLLAR
FOR DOGS AND CATS**

SHOO FLEA FOR DOGS & CATS

The new safe and easy way to make fleas stay away from pets without chemicals and poisons. Exclusive patented "Pulse Modulated Burst Circuit" (PMBC)™ creates a high frequency shower that is heard only by fleas. It's water resistant, veterinarian tested and effective. Includes long-life replaceable Lithium batteries that last up to one season. Durable nylon collar adjusts to fit pets of all sizes.

VETERINARIAN TESTED

Hundreds of tests were conducted under various weather conditions, and the results were consistent and dramatic. Veterinarians conducted extensive tests and the units worked to their satisfaction. Copies of the test results are available upon request.

A GOOD INVESTMENT

Surveys have indicated that over 40% of pet owners spend over \$50 per year on flea & tick collars or other chemicals. Shoo Flea is safe, effective and the results are easy to observe. Your dog or cat simply stops suffering and there's no more scratching.

PATENTED PMBC™ CIRCUIT

dogs, cats and humans. Only the fleas are affected.

The PMBC™ or "Pulse Modulated Burst Circuit" creates an inaudible high frequency sound that surrounds your pet from head to tail with flea-repelling effectiveness that drives fleas off your pet. The frequency is beyond the hearing range of

NO HARMFUL CHEMICALS

Pet owners are familiar with the fact that certain chemicals or poisons can kill fleas. They do not totally get rid of fleas, but they poison enough of them to give some relief to your pet. A growing number of pet owners refuse to put chemically impregnated collars on their pets.

ABSOLUTELY SAFE

The Shoo Flea collar is a low-power device that uses long-life lithium batteries (included). Because of its low power, it's completely safe. In fact, just rubbing a cat's fur creates more of a charge than the flea collar's batteries themselves.

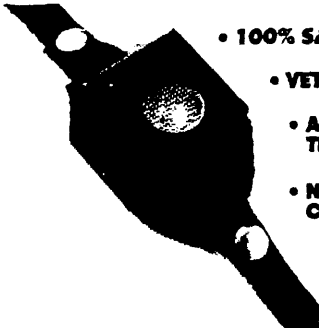
EXHIBIT C

EXHIBIT D

Introducing

Quick Relief

electronic flea collar



- 100% SAFE
- VETERINARIAN TESTED
- AUTOMATIC BATTERY TEST LIGHT
- NO CHEMICALS OR POISONS



• OVER 1 MILLION SOLD

**QUICK RELIEF™ ELECTRONIC FLEA COLLAR
FOR DOGS AND CATS**

QUICK RELIEF FOR DOGS & CATS

The new safe and easy way to make fleas stay away from pets without chemicals and poisons. Exclusive patented "Pulse Modulated Burst Circuit" (PMBC)™ creates a high frequency shower that is heard only by fleas. It's water resistant, veterinarian tested and effective. Includes long-life replaceable Lithium batteries that last up to one season. Durable nylon collar adjusts to fit pets of all sizes.

VETERINARIAN TESTED

Hundreds of tests were conducted under various weather conditions, and the results were consistent and dramatic. Veterinarians conducted extensive tests and the units worked to their satisfaction. Copies of the test results are available upon request.

A GOOD INVESTMENT

Surveys have indicated that over 40% of pet owners spend over \$50 per year on flea & tick collars or other chemicals. Quick Relief is safe, effective and the results are easy to observe. Your dog or cat simply stops suffering and there's no more scratching.

PATENTED PMBC™ CIRCUIT

dogs, cats and humans. Only the fleas are affected.

The PMBC™ or "Pulse Modulated Burst Circuit" creates an inaudible high frequency sound that surrounds your pet from head to tail with flea-repelling effectiveness that drives fleas off your pet. The frequency is beyond the hearing range of

NO HARMFUL CHEMICALS

Pet owners are familiar with the fact that certain chemicals or poisons can kill fleas. They do not totally get rid of fleas, but they poison enough of them to give some relief to your pet. A growing number of pet owners refuse to put chemically impregnated collars on their pets.

ABSOLUTELY SAFE

The Quick Relief collar is a low-power device that uses long-life lithium batteries (included). Because of its low power, it's completely safe. In fact, just rubbing a cat's fur creates more of a charge than the flea collar's batteries themselves.

**NON CHEMICAL
PEST REPELLENT COLLAR
FOR DOGS AND CATS**

**Electronic
Flea Collar**

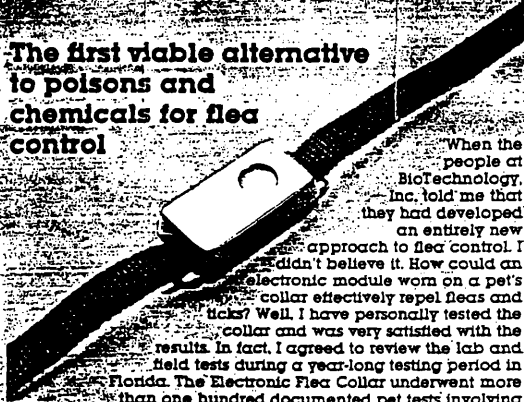


Electronic Flea Collar is a non-chemical, non-toxic, and safe pest repellent collar for dogs and cats. It emits a low-frequency sound that repels fleas and ticks without the use of chemicals. The collar is made of a soft, flexible material and is easy to wear. It is suitable for all breeds and sizes of dogs and cats. The collar is guaranteed to keep your pet free of fleas and ticks for one year.

- No chemicals or poisons
- No mess or weekly bath
- 100% safe
- Effective & economical
- Nothing else to buy
- One year warranty

LK00C406

**The first viable alternative
to poisons and
chemicals for flea
control**



When the people at BioTechnology, Inc. told me that they had developed an entirely new approach to flea control, I didn't believe it. How could an electronic module worn on a pet's collar effectively repel fleas and ticks? Well, I have personally tested the collar and was very satisfied with the results. In fact, I agreed to review the lab and field tests during a year-long testing period in Florida. The Electronic Flea Collar underwent more than one hundred documented pet tests involving both cats and dogs of various sizes, fur length, and level of flea infestation.

I invite you to test this revolutionary new method of flea control. The Electronic Flea Collar warranty of "Fleas gone in 10 days or your money back" is assurance of satisfaction. I am sure that you will be as satisfied as I and many of my clients are.

Robert P. Knowles, DVM, Knowles Animal Hospital, Inc.

Developed and manufactured in U.S.A.
by BioTechnology, Inc., Miami, Florida
EPA Establishment No. 53498-FL-011
© 1980 BioTechnology, Inc.

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EXHIBIT
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ELEXIS

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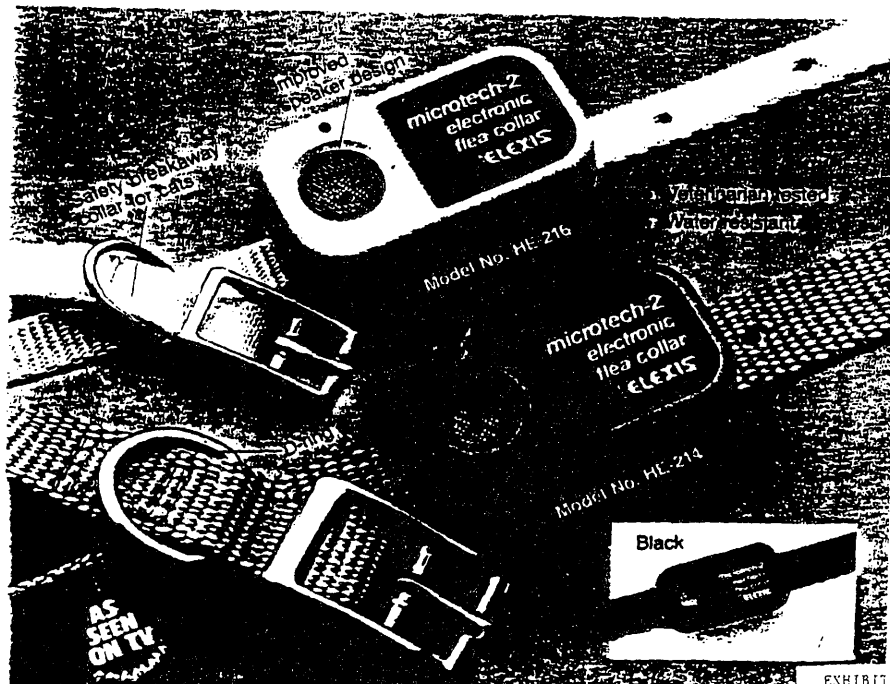
PATENTED

microtech-2[®]

electronic flea collar

Now, there's a better way
to combat annoying fleas...
without chemicals. The microtech-2
electronic flea collar uses
Pulse Modulated Burst Circuit™
(PMBC) sound to repel fleas off pets.

- Comes with sturdy nylon collar.
- Uses long-life lithium batteries.
- Automatic battery test light.



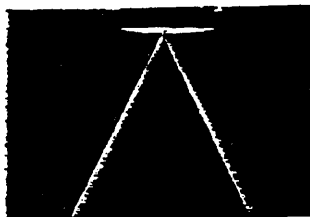
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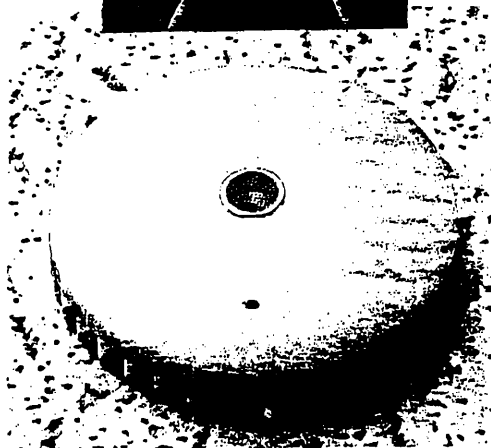
microtech

Home Flea Control System

Repels Fleas from Your Home Electronically



The same technology used to repel fleas from your pet is now available in a unit for your home.



Model no. HE-230

- No poisons or chemicals
- Easy to install
- Covers 900 square feet
- Replaceable batteries
- 24-hour protection

A high-intensity sound is emitted by a tiny speaker. This sound showers any 30 x 30 foot room with protection from biting, disease-carrying fleas around the clock.

ELEXIS

ELEXIS Corporation
7000 N.W. 46th Street
Miami, Florida 33166
Phone (305) 592-6069

LX002121

EXHIBIT

EXHIBIT H

ELEXIS

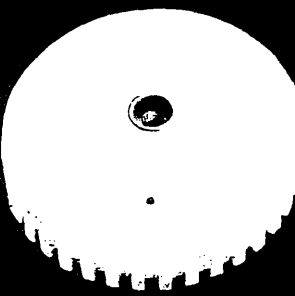
Control Fleas
in Your Home
Without Chemicals!

In-Home Flea Control

Microtech® Home Unit

Mounts on Ceiling

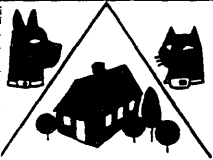
The Microtech® Home Unit,
used with the Microtech-2®
Electronic Flea Collar, makes
the perfect flea control program.



- No poisons or chemicals
- Effective
- Covers 900 square feet
- Automatic test light
- Includes battery

EX 000123

Box printed in
Taiwan.
Made in USA.
Elexis
Corporation
Miami, FL 33166
©Copyright 1990



The Microtech® Home Unit,
used with the Microtech-2®
Electronic Flea Collar, makes
the perfect flea control
program.

ELEXIS

Part No. 61-0086



0 11436 11230 4

Tomorrow's
Technology
Today!

ELETS

Tomorrow's
Technology
Today!

ELETS

In-Home Flea Control
Microtech® Home Unit
Mounts on Ceiling

The diagram shows a black rectangular box representing the room. At the top center, a small white rectangle represents the Microtech Home Unit mounted on the ceiling. Two white lines extend from the unit down to the floor, forming a triangle. The word "Ceiling" is written in a small box at the top left, and "Floor" is written in a small box at the bottom left. To the right of the triangle, the text "Sound waves cover the room" is written. On the left side of the box, the words "Microtech Home Unit" are written vertically in a large, bold, sans-serif font.

- PMBC® Sound prevents fleas from jumping on your pet or your family.
- Takes effect in minutes and keeps working.
- Chemical-free flea control.

EXHIBIT I

GET RID OF FLEAS

Now! Special Design For Cats Too! Breakaway Collar

A. A revolutionary idea in flea protection! The Microtech® Flea Collar safely rid your pet of fleas without chemicals or poisons. It emits high frequency sound that repels the pests and creates a 4-foot zone of protection around your pet. The sound is inaudible to humans and pets. Veterinarian tested and approved 100% safe! Watch fleas disappear in 5 days or less! We guarantee it. Available in two styles — one for dogs and puppies, and a new model specially designed for cats. It is smaller and features a "breakaway" collar that allows a cat to escape if it catches the collar on an object. Both units come with durable nylon collar, a lithium battery (up to 6 months continuous use), and one year warranty on materials.
 #D10-0133 for dogs (fits 14" - 26" neck) ..\$36.00 ea.; 3 or more ..\$32.00 ea.
 #D10-0081 for cats ..\$36.00 ea.; 3 or more ..\$32.00 ea.
BATTERIES
 Fits all styles of Microtech® collars (set of 2)
 #D10-0162 ..\$5.99

B. Microtech™ Pest Repeller

B. A perfect flea-fighting companion to our popular Microtech® collars — the new Pest Repeller! After the Microtech® collar drives the fleas off of your dog, the fleas have to go somewhere . . . and that somewhere is all too often your carpet. The Pest Repeller, utilizing the same safe and effective ultrasonic technique as the Microtech® drives the fleas away from your home! Compact, inconspicuous, battery operated unit can be wall mounted. Undetectable to house pets or humans. Protects up to 385 sq. ft. automatically, 24 hours a day. Operates on a standard 9-volt alkaline battery (not included.) 4 1/4" x 2 3/4".
 #D30-0823 ..\$29.95

Now! Drive Fleas Away With Ultrasound!

C. Now! The Microtech® Home Unit mounts on your ceiling and sends forth a battery of inaudible PMBC® ultrasonic sound waves that drive fleas out of your room. Perfect when used with our Microtech® collar (sold above) for complete, effective flea control. Includes mounting strip and unit. Requires 9-volt battery (not included.) Approx. 4" D. (Covers 900 sq. ft.) #D10-0198 ..\$39.00 ea.

Our Guarantee
 We guarantee the Microtech® Flea Collar and the Microtech® Pest Repeller. If you are not completely satisfied, even after using for 30 days, simply return it to us for a full refund.

Crickets

CEILING

FLOOR

DECISION AND ORDER

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

The respondents, its attorneys, 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 aforesaid draft of 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 Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have 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:

1. (a) Respondent Elexis Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware and is authorized to transact business in the State of Florida pursuant to the laws of the State of Florida. Its office and principal place of business is at 7000 N.W. 46th Street, Miami, Florida.

(b) Respondent Frank J. Bianco is an officer of the corporate respondents named herein. He has formulated, directed and controlled the acts and practices of the corporation, including all the acts and practices set forth below. His address is the same as that of the corporate respondent.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That respondents Elexis Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, and Frank J. Bianco, individually and as an officer of Elexis Corporation, directly or through any corporation, subsidiary, division or other device, in connection with manufacturing, advertising, labeling, packaging, offering for sale, selling, or distributing the "Microtech," "Microtech-2," "Flea Relief," "Pet Shield," "Quick Relief," "Electronic Flea Collar," "Shoo Flea," "Flea Chaser," "Flea Buster," "Microtech Home Unit," "Microtech Pest Repeller" or any other ultrasonic flea and/or tick control product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication:

- (a) That any such product can or will eliminate fleas on dogs or cats without the use of chemicals;
- (b) That any such product can or will reduce flea and/or tick populations on dogs or cats or in indoor environments without the use of chemicals; or
- (c) That any such product can or will repel fleas and/or ticks from dogs, cats or indoor environments without the use of chemicals.

II.

It is further ordered, That respondents Elexis Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, and Frank J. Bianco, individually and as an officer of Elexis Corporation, directly or through any corporation, subsidiary, division or other device, in connection with manufacturing, advertising, labeling, packaging, offering for sale,

selling or distributing any ultrasonic pest control device, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting in any manner, directly or by implication, the existence, contents, validity, results, conclusions, interpretations, or purposes of any study, test, or other scientific data.

III.

It is further ordered, That respondents Elexis Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, and Frank J. Bianco, individually and as an officer of Elexis Corporation, directly or through any corporation, subsidiary, division or other device in connection with manufacturing, advertising, labeling, packaging, offering for sale, selling, or distributing the "Microtech," "Microtech-2," "Flea Relief," "Pet Shield," "Quick Relief," "Electronic Flea Collar," "Shoo Flea," "Flea Chaser," "Flea Buster," or any other ultrasonic flea and/or tick control product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from using the terms "Flea Relief," "Pet Shield," "Shoo Flea," "Flea Chaser," "Flea Buster," "flea collar," "flea and tick collar" and "flea repellent".

IV.

It is further ordered, That respondents Elexis Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, and Frank J. Bianco, individually and as an officer of Elexis Corporation, directly or through any corporation, subsidiary, division or other device in connection with manufacturing, advertising, labeling, packaging, offering for sale selling, or distributing the "Microtech," "Microtech-2," "Flea Relief," "Pet Shield," "Quick Relief," "Electronic Flea Collar," "Shoo Flea," "Flea Chaser," "Flea Buster," "Microtech Home Unit," "Microtech Pest Repeller" or any ultrasonic flea and/or tick control product that produces ultrasound at a frequency substantially similar to or below the forty (40) kilohertz frequency generated by these products in or

affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication that any such product can or will produce sound at frequencies beyond the hearing range of domestic dogs and cats.

V.

It is further ordered, That respondents Elexis Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, and Frank J. Bianco, individually and as an officer of Elexis Corporation, directly or through any corporation, subsidiary, division or other device in connection with manufacturing, advertising, labeling, packaging, offering for sale selling, or distributing the "Microtech," "Microtech-2," "Flea Relief," "Pet Shield," "Quick Relief," "Electronic Flea Collar," "Shoo Flea," "Flea Chaser," "Flea Buster," "Microtech Home Unit," "Microtech Pest Repeller" or any similar ultrasonic flea and/or tick control product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication that any such product, when used as directed, produces sound that is not heard by or does not irritate dogs, cats or other pets *unless*, at the time of making such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation. For purposes of this order, for any experiment, analysis, research, study or other evidence to be "competent and reliable" it shall be conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted by others in the profession or science to yield accurate and reliable results.

VI.

It is further ordered, That respondents Elexis Corporation, a corporation, its successors and assigns, and its officers, agents, representatives, and employees, and Frank J. Bianco, individually and as an officer of Elexis Corporation, directly or through any corporation, subsidiary, division or other device in connection with

manufacturing, advertising, labeling, packaging, offering for sale, selling, or distributing any ultrasonic pest control product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication, any performance characteristic of any ultrasonic flea, tick, mosquito, roach, rodent, or other ultrasonic pest control product *unless*, at the time of making such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation. For purposes of this order, for any experiment, analysis, research, study or other evidence to be "competent and reliable" it shall be conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted by others in the profession or science to yield accurate and reliable results.

VII.

It is further ordered, That respondents shall, within thirty (30) days after the date of service of this order, send to each catalog company with whom the respondents have done business since January 1, 1987, a copy of this order and a notice that the catalog company shall immediately cease using or relying upon any Elexis advertising or promotional materials containing representations prohibited by this order.

VIII.

It is further ordered, That, for a period of three (3) years after the date of service of this order, respondents, their successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- (a) All evidence relied upon to substantiate any representation covered by this order; and
- (b) All test reports, studies, surveys, or demonstrations in their possession or control that contradict, qualify, or otherwise call into question any such representation.

IX.

It is further ordered, That, for a period of three (3) years after the date of service of this order, respondents shall distribute a copy of this order to all managerial employees, distributors, independent sales agents, retailers and wholesale customers of any ultrasonic pest control product present and future.

X.

It is further ordered, That, for a period of five (5) years after the date of service of this order, respondent Frank J. Bianco shall promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment engaged in manufacturing, labeling, packaging, offering for sale, selling, distributing or advertising any flea, tick, mosquito, roach, rodent, or other pest control products or services, stating the nature of the business or employment in which he is newly engaged as well as a description of his duties and responsibilities in connection with the business or employment and the address of such new business or employment.

XI.

It is further ordered, That, for a period of ten (10) years after the date of service of this order, the corporate respondent shall notify the Commission within thirty (30) days before any changes in the corporate respondent such as 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 arising out of the order.

XII.

It is further ordered, That respondents shall, within sixty (60) days after the date of service of this order, and at such other times as the Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

IN THE MATTER OF

TOWER LOAN OF MISSISSIPPI, INC.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF THE
TRUTH IN LENDING ACT, REGULATION Z, AND
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket 9241. Complaint, June 27, 1990--Decision, Feb. 10, 1992*

This consent order requires, among other things, the respondent to: accurately disclose the annual percentage rate, finance charge, and amount financed in accordance with the Truth in Lending Act; offer its customers an opportunity to cancel the credit insurance written on their loans and to obtain cash refunds or credits to their accounts; and provide future customers with a separate disclosure that sets out the costs of the loan with and without credit insurance and that emphasizes that the purchase of credit insurance is not required as a condition to obtaining a loan.

Appearances

For the Commission: *Stephen Cohen* and *Sandra M. Wilmore*.

For the respondent: *Stephen E. Gardner* and *Pat H. Scanlon*,
Young, Scanlon & Sessums, P.A., Jackson, MS. *Nancy L. Buc* and
Sheldon Feldman, *Weil, Gotshal & Manges*, Washington, D.C.
Robert L. Lepri, *Trizna & Lepri*, Chicago, IL.

COMPLAINT

The Federal Trade Commission, having reason to believe that Tower Loan of Mississippi, Inc., a corporation, hereinafter sometimes referred to as respondent, has violated the Federal Trade Commission Act, 15 U.S.C. 45-58, as amended, and the Truth in Lending Act ("TILA"), 15 U.S.C. 1601-1667, as amended, and its implementing Regulation Z, 12 CFR 226, as amended, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues this complaint and alleges: