

Complaint

117 F.T.C.

IN THE MATTER OF

MACE SECURITY INTERNATIONAL, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3487. Complaint, Mar. 25, 1994--Decision, Mar. 25, 1994*

This consent order requires, among other things, the Vermont-based marketers to have competent and reliable evidence to support any claims about the efficacy or performance of any chemical self-protection product they sell and to include cautionary disclosures, in their advertisement and with their product, about the limitations of the product on armed, enraged, drugged, or intoxicated assailants. The order also requires the respondents to substantiate any future claims they make about any attribute of any chemical self-protection product they sell, and to send a notice of the settlement to distributors and consumers.

*Appearances*For the Commission: *Alice Au* and *Michael J. Bloom*.For the respondents: *Mark R. Butterfield*, Rutland, VT.

COMPLAINT

The Federal Trade Commission, having reason to believe that MACE Security International, Inc., a corporation, Personal Security, Inc., a corporation, and Jon E. Goodrich, Robert P. Gould, and James Kardas, individually and as officers and directors of said corporations, ("respondents"), have 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. Respondent MACE Security International, Inc. is a Delaware corporation, with its principal office or place of business at 160 Benmont Avenue, Bennington, Vermont. Respondent was formerly doing business as Mark Sport, Inc.

Respondent Personal Security, Inc. is a Vermont corporation, with its principal office or place of business at 160 Benmont Avenue, Bennington, Vermont.

Respondent Jon E. Goodrich is an officer and director of MACE Security International, Inc. and Personal Security, Inc. Individually or in concert with others, he formulates, directs, and controls the acts and practices of MACE Security International, Inc. and Personal Security, Inc., including the acts and practices alleged in this complaint. His principal office or place of business is the same as that of the corporate respondents.

Respondent Robert P. Gould is an officer and director of MACE Security International, Inc. and Personal Security, Inc. Individually or in concert with others, he formulates, directs, and controls the acts and practices of MACE Security International, Inc. and Personal Security, Inc., including the acts and practices alleged in this complaint. He has an office at and his principal place of business is at the same address as that of the corporate respondents.

Respondent James Kardas is an officer and director of Personal Security, Inc. Individually or in concert with others, he formulates, directs, and controls the acts and practices of Personal Security, Inc., including the acts and practices alleged in this complaint. His principal office or place of business is the same as that of the corporate respondent.

PAR. 2. Respondents MACE Security International, Inc., Jon E. Goodrich, and Robert P. Gould have manufactured, advertised, labeled, offered for sale, sold, and distributed MK-VI MACE brand self-defense spray and MK-X MACE brand self-defense spray (hereinafter, both referred to as "MACE"), tear gas formulations that are sold in spray canister form. Respondents Personal Security, Inc. and James Kardas have advertised, offered for sale, sold, and distributed MACE. MACE contains the chemical irritant 1% phenylchloromethylketone (CN) and is intended to be a self-protection product that adversely affects the eyes, respiratory system, and skin of an assailant.

PAR. 3. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondents have disseminated or have caused to be disseminated advertisements for MACE, including but not necessarily limited to the attached Exhibits A through F. These advertisements contain the following statements and depictions:

A. "Aim ... Spray ... Walk Away!" [this language is accompanied by three drawings that show a woman successfully using MACE to ward off an attacker and walking away from the scene of attack] (Exhibits A and C) [ellipses in original]

B. "Mace wears off in about 20 minutes without causing permanent harm ... TIME TO PUT YOU WELL OUT OF HARM'S WAY." (Exhibits A and C) [ellipsis and emphasis in original]

C. "For over twenty years America's police and consumers have depended upon genuine Mace for protection against physical attack. During that time Mace has proven to be the safest, most effective and humane self-protection ever developed. If you're concerned about your safety, I urge you to carry Mace, too.' Patrolman Greg Connor." (Exhibit B)

D. "POLICE-PROVEN MACE® ... just in case." (this language is accompanied by three drawings that show a woman successfully using MACE to ward off an attacker and walking away from the scene of attack] (Exhibit C) [ellipsis and emphasis in original]

E. "NEW YORK ... DALLAS ... PHILADELPHIA ... Today over 4,000 police departments across America depend upon the proven Mace formula for protection against assault. So do men and women all across America -- professionals, joggers, college students, housewives, working women, seniors, delivery people -- anyone concerned with personal safety. SHOULDN'T YOU?" (Exhibit D) [ellipses and emphasis in original]

F. "Accuracy Is Not Essential. JUST AIM ... SPRAY... WALK AWAY! Unique finger-grip design allows you to draw, aim and spray in one easy motion. Any contact within upper torso can be effective. Carry Mace wherever you go." [this language is accompanied by a drawing of human figure with the upper torso target area emphasized with a circle] JUST HIT THE CIRCLE! (Exhibits B and D) [ellipses and emphasis in original]

G. "Mace is a CN-based tear gas developed in the 1960's as a humane means of self-protection for the law enforcement community. For over twenty years it has been the policeman's first line of defense against assault." (Exhibit E)

H. "Since it's [sic] introduction over twenty years ago Mace has proven to be the safest, most effective and humane self-protection ever developed. That's why 4 of 5 police across America today carry Original Mace. Shouldn't you?" (Exhibit E)

I. "Any contact with the upper torso can be effective. Just one squirt can instantly stop an assailant and keep him incapacitated for up to 20 minutes." (Exhibit E)

J. "The police-proven Mace formulation can instantly stop an assailant ... UP TO 12 FEET AWAY ... and keep him incapacitated for up to 20 minutes." (Exhibit F) [ellipses in original]

PAR. 5. Through the use of the statements and depictions contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisements attached as Exhibits A through F, respondents have represented, directly or by implication, that:

- A. One spray of MACE will stop an assailant;
- B. Any contact with the upper torso by a spray of MACE will stop an assailant; and
- C. Use of MACE will instantly stop an assailant.

PAR. 6. In truth and in fact:

- A. One spray of MACE does not stop an assailant;
- B. Any contact with the upper torso by a spray of MACE does not stop an assailant; and
- C. Use of MACE will not instantly stop an assailant.

Therefore, the representations set forth in paragraph five were, and are, false and misleading.

PAR. 7. In its advertising and sale of MACE, respondents have represented that MACE provides effective protection against physical attack. Respondents have failed to disclose adequately that 1) it may take several seconds for the effects of MACE to begin, and 2) MACE may not be effective on many assailants including those who are armed, enraged, drugged, intoxicated, or otherwise desensitized. These facts, would be material to consumers in their purchase or use decisions regarding the product. The failure to disclose adequately these facts, in light of the representation made, was, and is, a deceptive practice.

PAR. 8. Through the use of the statements and depictions contained in the advertisements referred to in paragraph four including but not necessarily limited to the advertisements attached as Exhibits A through F, respondents have represented, directly or by implication, that:

- A. MACE will keep an assailant incapacitated for up to or about 20 minutes;
- B. The effectiveness of MACE for civilian self-protection has been proven in use by police forces;
- C. Four out of five police officers in the United States carry MACE; and
- D. Over 4000 police departments in the United States use MACE for protection against assault.

PAR. 9. Through the use of the statements and depictions contained in the advertisements referred to in paragraph four including but not necessarily limited to the advertisements attached as Exhibits A through F, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraphs five and eight respondents possessed and relied upon a reasonable basis that substantiated such representations.

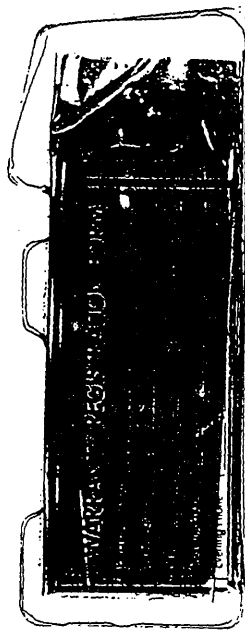
PAR. 10. In truth and in fact, at the time respondents made the representations set forth in paragraphs five and eight respondents did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representations set forth in paragraph nine were, and are, false and misleading.

PAR. 11. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

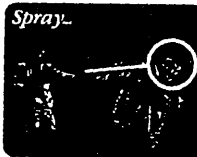
EXHIBIT A



CAUTION: STRONG IRRITANT
CONTENTS UNDER PRESSURE
 See additional cautions on back of card



Aim...
 Mace is designed to fit your hand for quick and accurate firing.



Spray...
 Mace causes profuse tearing and a painful burning sensation.



Walk Away!
 Mace wears off in about 20 minutes without causing permanent harm...

**TIME TO PUT YOU
 WELL OUT OF HARMS WAY.**

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EXHIBIT B

ORIGINAL

mace®

Mace® Can Protect You. And Those You Love.

For over twenty years America's police and consumers have depended upon genuine Mace for protection against physical attack. During that time Mace has proven to be the safest, most effective and humane self-protection ever developed. If you're concerned about your safety, I urge you to carry Mace, too.

Patrolman Greg Connor



Carry Mace®...Just in Case.

- Each unit fires about 20, one-half second bursts.
- Effective range up to 12 feet.
- Every unit "test-fired" before shipping.
- Built-in belt clip & key chain.
- Easy-to-follow instructions included.
- 30 Day Money-Back Guarantee.

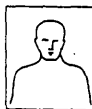
CAUTION: STRONG IRRITANT CONTENTS UNDER PRESSURE

Active ingredient, approximately 1% Phenylchloromethylketone (CN) in a non-toxic, non-flammable vehicle. STRONG IRRITANT affecting eyes, respiratory areas and skin. In case of exposure, rinse eyes with water, and consult a physician. Wash skin with soap and water and expose to fresh air. If irritation persists, consult a physician. Use no creams, salves or oils. Shield face when firing into strong wind. CONTENTS UNDER PRESSURE. Do not puncture, incinerate or store at temperature above 120° F. KEEP OUT OF REACH OF CHILDREN. Not to be sold to minors or where prohibited by law. Use care with intoxicated, drugged, demented, enraged or other persons having reduced sensitivity to pain. Refer to instructions for additional information. Manufactured by MSI, 160 Benmont Avenue, Bennington, VT 05201. Made in U.S.A.

Accuracy Is Not Essential

JUST AIM, SPRAY,
WALK AWAY!

Unique finger-grip design allows you to draw, aim and spray in one easy motion. Any contact with upper torso can be effective. Carry Mace wherever you go.



JUST HIT THE
CIRCLE!



MK-X MACE



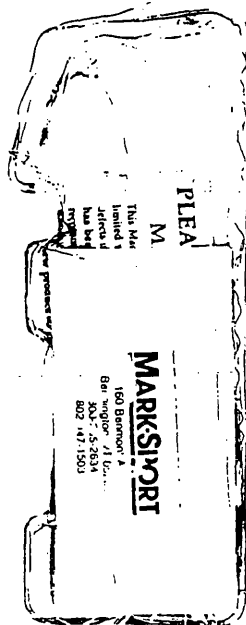
0 22188 80110 1

Net weight 2.1 grams

EXHIBIT C



**CAUTION: STRONG IRRITANT
CONTENTS UNDER PRESSURE**
See additional cautions on back of card



Mace is designed to fit your hand for quick and accurate firing.



Mace causes profuse tearing and a painful burning sensation.



Mace wears off in about 20 minutes without causing permanent harm...

**TIME TO PUT YOU
WELL OUT OF HARM'S WAY.**

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EXHIBIT D

POLICE-PROVEN

mace®

**NEW YORK...DALLAS...
PHILADELPHIA...**

Today over 4,000 police departments across America depend upon the proven Mace formula for protection against assault. So do men and women all across America — professionals, joggers, college students, housewives, working women, seniors, and many people — anyone concerned with personal safety.

SHOULDN'T YOU?



Carry Mace® ...Just in Case.

- Each unit fires about 20, one-half second bursts.
- Effective range up to 12 feet.
- Every unit "test-fired" before shipping.

- Built-in belt clip & key chain.
- Easy-to-follow instructions included.
- 30 Day Money-Back Guarantee.

**CAUTION: STRONG IRRITANT
CONTENTS UNDER PRESSURE**

Active ingredient, approximately 1% Phenylchloromethylketone (CN) in a non-toxic, non-flammable vehicle.

STRONG IRRITANT affecting eyes, respiratory areas and skin. In case of exposure, rinse eyes with water, and consult a physician. Wash skin with soap and water and expose to fresh air. If irritation persists, consult a physician. Use no creams, salves or oils. Shield face when firing into strong wind. **CONTENTS UNDER PRESSURE.** Do not puncture, incinerate or store at temperature above 120° F. **KEEP OUT OF REACH OF CHILDREN.** Not to be sold to minors or where prohibited by law. Use care with intoxicated, drugged, demented, enraged or other persons having reduced sensitivity to pain. Refer to instructions for additional information. Manufactured by Mark-Sport, Inc., 160 Benmont Avenue, Bennington, VT 05201. Made in U.S.A.

**Accuracy Is Not Essential.
JUST AIM...SPRAY...
WALK AWAY!**

Unique finger-grip design allows you to draw, aim and spray in one easy motion. Any contact within upper torso can be effective. Carry Mace wherever you go.



**JUST HIT THE
CIRCLE!**

MK-VI MACE



0 22188 80109 5

Net weight 24 grams

Personal Security

Products To Keep You & Your Family Safe

I LIKE IKE.
LEAVE IT TO BEAVER.
THE BEACH BOYS.

Dear Friend,

Remember those days? A time when we never locked our doors...when schools were safe...and it was safe to walk down the street day or night. I remember.

But times have changed. Today, children's pictures can be found on milk cartons, drugs are everywhere, and your chances of becoming a victim are greater than ever.

Introducing **Personal Security** -
A Catalog of Valuable Products To Keep You
And Your Family Safe.

...to keep you and your family safe. That is our commitment to you. Wherever you are - at home, at work, anywhere - we'll provide you with products to keep you safe.

We'll talk to the experts, research new technology and test new products. Then we'll bring them into your home through the pages of **Personal Security**. So that you can make informed decisions about the best way to provide you and your family with security and, most of all, peace of mind.

So why not relax with our new catalog? And when you spot something you need, just complete and return our convenient order form. Or better yet, call our Toll-Free Hotline: 1-800-446-6223. We'll take care of the rest, including delivery right to your door. It couldn't be any easier.

Cordially,

Jim Kardas
Jim Kardas

P.S. If you like our catalog perhaps you would like to become a Personal Security distributor. Many who have are now making money selling our products to others. We also offer a fund raising program for groups and organizations. To learn more, please call Toll Free 1-800-446-6223 and ask for Dave McMullen. Thank you.



Original Mace® Shoots A Powerful
"STREAM-OF-PROTECTION"
Up To 12 Feet!

Helps You Avoid Contact
With An Aggressor!

OUR PROMISE TO YOU: Satisfaction Guaranteed Or Your Money Back

"Every Woman ...Just In Case."

Mary Sternacker
New York, NY

Mary Sternacker knows about Mace. She used it to repel an attacker in a subway tunnel. That's why she believes every woman today should carry Mace. And so do I. Because there is no equal to the protection Original Mace offers. Or the peace of mind one feels when carrying it.

America's Most Humane Protection.

Mace is a CN-based tear gas developed in the 1960's as a humane means of self-protection for the law enforcement community. For over twenty years it has been the policeman's first line of defense against assault.

Today Mace is carried by women all across America. Working women, seniors, housewives, joggers, cyclists, college students and many others. Women with a concern for personal safety.

Mace Is Proven Safe.

According to Gerald S. Arenberg, Executive Director of the National Association of Chiefs of Police, "Mace is ideal for self-protection because it is non-lethal." Its non-toxic formula causes profuse tearing and a painful burning sensation. And yet, in over 20 years of on-street use by police and civilians alike, Mace has never caused a single substantiated case of permanent injury. It's the safest, most effective and humane protection available.

Accuracy Is Not Essential!

Unique finger-grip design allows you to draw, aim and spray in one easy motion. Any contact with the upper torso can be effective. Just one squirt can instantly stop an assailant and keep him incapacitated for up to 20 minutes. The Mace formula is non-flammable and unaffected by temperature. A patented flip-top dispenser prevents accidental discharge. Each unit fires

There's Only ONE Mace!

Since its introduction over twenty years ago Mace has proven to be the safest, most effective and humane self-protection ever developed. That's why 4 of 5 police across America today carry Original Mace. Shouldn't you?



Complaint

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EXHIBIT E

Should Carry *Mace*[™]

How often have you left work late and felt uneasy walking to your car? Or found yourself in a dimly-lit parking lot? Or in a strange neighborhood on one of those pitch-dark nights? For those occasions, Mace can give you real peace of mind.

about 20 one-half second bursts. Effective range up to 12 feet! Measures only 4" high. Compact size fits neatly into pocket, purse, glove compartment or nightstand. One-year warranty. Instructions included.

Who Should Carry Mace?

Anyone who is concerned with personal safety—working woman, housewives, runners, cyclists, nurses, senior citizens, delivery people and others. Including men, who buy not just for self-protection, but as gifts for others. In fact, many people have discovered Mace to be a thoughtful gift for a spouse, girlfriend, parents, adult children or college-bound daughter.

How Much Mace Should You Buy?

Depending upon your lifestyle you may find that a single Mace will provide the peace of mind you desire. However, for total protection we recommend that you consider three Mark X Mace for your car, home and pocket. And if you know others who would enjoy the peace of mind Mace offers, why not order now. The more you buy the more you'll save.

- 6-5724 Original Mark X Mace \$16.95
- 6-5724 Three Mace Only \$45.00 (\$41.75 S&H)
- 6-5724 Six Mace Only \$79.95 (\$75.41 S&H)
- 6-5724 12 Mace Only \$149.95 (\$141.75 S&H)
- 6-5724 Mace with Training Unit \$19.95



Original Mark X Mace



"Mace has always been the foremost leader for self-protection."

Joseph Spotti
Co-Chairman
American Rape Prevention
Association

"Mace is ideal protection because it is non-lethal."

Gerald S. Arenberg
Executive Director
National Association of
Chiefs of Police

"We recommend Mace to all our members."

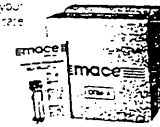
Christine Barnes
Concerned Nurses Association



Attached to this women's magazine is genuine Mace, the most effective and humane assault protection ever developed. In today's world, who would any woman be without it?

Buy A Case of Mace "Factory-Direct" And Save...Get A FREE Gift!

We're often surprised by the number of customers who order Mace "by the case!" Many buy a case to have several for personal use and to offer as gifts for family members and loved ones. Some find clever friends who are interested in taking advantage of the lower unit cost when purchasing by the case. And others buy for employees who won't like to take on business. Whatever your reason for buying a case of Mace you'll SAVE 33% off our retail price. Order now and we'll include a FREE Nightingale in your case.



CALL TOLL FREE NOW 1-800-444-0225

EXHIBIT F

The World Today Can Be An Uncertain Place

Would You, Or Someone You Love, Feel Safer Carrying Mace®?

According to crime experts, one in three women will be a victim of physical attack during her lifetime. When you read statistics like this, do you ever think "It could never happen to me or someone I love?" Many people do. But the truth is, it can happen, and it does.

Especially today, because the world we live in is an uncertain place that holds many risks. Parking garages, dark streets and parking lots near your home or work can be uncomfortable at night. And traveling to new places requires caution and vigilance. That's why you, or those you love, should carry Mace. It provides real protection against the unexpected. And peace of mind.

Helps You Avoid Contact With An Aggressor!

The police-proven Mace formulation can instantly stop an assailant... **UP TO 12 FEET AWAY**... and keep him incapacitated for up to 20 minutes. And since Mace doesn't cause permanent injury, you won't be afraid to use it if that time ever comes.

Non-toxic formulation is safe to use. Causes profuse tearing and painful burning sensation. Not affected by temperature. Patented flip-top dispenser prevents accidental discharge. Each unit fires about 20 one-half second bursts. Features built-in belt clip and key chain. Instructions included. One-year limited warranty.

Buy Several For Yourself & Others **SAVE UP TO 33%!**

(Also Makes A Thoughtful Gift.)

Buy three for your car, home and pocket. Also makes a thoughtful gift for your spouse, girlfriend, college-bound daughter, parents, people you work with and others. The more you buy the more you save. Order Original Mace today!

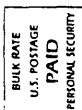
- D-3724 Original Mark X Mace \$16.95
- C-3724 Three Mace For Only \$45.00 (SAVE \$5.85!)
- B-3724 Six Mace For Only \$75.00 (SAVE \$26.70!)
- B-3915 12-Unit Case Only \$135.00 (SAVE \$68.40!)
- B-3725 Mace Inert Training Unit \$6.95
(Free With 12-Unit Case Purchase)

For more on Mace, please see page 2.



How often have you felt uncomfortable walking down the street at night? Or alone in a dimly lit parking lot? For those times, Mace can provide real protection. And peace of mind.

Palm-Sized
Protection
For
Car, Home
& Pocket!



Personal Security
1681 Bennett Avenue
Hemlock, VT 05831

Current Resident Or

NEED A GIFT IDEA?

This catalog contains dozens of valuable products to help you and your family safe. What better gift could you possibly give to yourself, or those you love, than peace of mind?

TOLL-FREE ORDERING
CREDIT CARD USERS CALL
1-800-446-6223

24-HOUR SERVICE

(Or fax your order to 802-442-3823 at any time)

For questions about merchandise or orders call
Customers Service (802) 442-4903



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 New York 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, 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 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, or that the facts as alleged in such complaint, other than jurisdictional facts, are true, 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 a 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. Respondent MACE Security International, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its corporate office and principal place of business located at 160 Benmont Avenue, Bennington, Vermont. Respondent was formerly doing business as Mark Sport, Inc.

Respondent Personal Security, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Vermont, with its corporate office and principal place of business located at 160 Benmont Avenue, Bennington, Vermont.

Respondents Jon E. Goodrich and Robert P. Gould are officers and directors of said corporations. They formulate, direct, and

control the policies, acts, and practices of said corporations, and Mr. Goodrich's principal office and place of business are located at the above address. Mr. Gould has an office at and his principal place of business is located at the above address. Respondent James Kardas is an officer and director of Personal Security, Inc. Mr. Kardas formulates, directs, and controls the policies, acts, and practices of said corporation, and his principal office and place of business are located at the above stated address.

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

DEFINITIONS

A. For purposes of this order, "*competent and reliable scientific evidence*" shall mean tests, analyses, research, studies, or other evidence based on the expertise of professionals in the relevant area, that has been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

B. For purposes of this order, "*MACE*" shall mean any chemical self-protection product marketed for civilian use that contains as its active ingredient approximately 1% phenylchloromethylketone (a.k.a. chloroacetophenone or CN).

C. For purposes of this order, "*chemical self-protection product*" shall mean any chemical self-protection product marketed for civilian use, including but not necessarily limited to products containing phenylchloromethylketone (a.k.a. chloroacetophenone or CN), orthochlorobenzal-nalonitrile (CS) or oleoresin capsicum (OC).

D. For purposes of this order, "*distributor*" shall mean any person or entity that, since January 1, 1991, has made at least one purchase from respondents of 12 or more units of MACE or of fewer units of MACE for which the total purchase price exceeded \$100.00.

I.

It is ordered, That respondents MACE Security International, Inc., a corporation, its successors and assigns, and its officers and

directors; Personal Security, Inc., a corporation, its successors and assigns, and its officers and directors; Jon E. Goodrich, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; Robert P. Gould, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; and James Kardas, individually and as an officer and director of Personal Security, Inc.; and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of MACE or any chemical self-protection product, in or affecting commerce, as "commerce," is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, directly or by implication, that:

- A. One or more sprays of such product will stop an assailant;
- B. Any contact with the upper torso by a spray of such product will stop an assailant; or
- C. Use of such product will instantly stop an assailant;

unless such representation is true and, at the time of making such representation, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates such representation.

II.

It is further ordered, That respondents MACE Security International, Inc., a corporation, its successors and assigns, and its officers and directors; Personal Security, Inc., a corporation, its successors and assigns, and its officers and directors; Jon E. Goodrich, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; Robert P. Gould, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; and James Kardas, individually and as an officer and director of Personal Security, Inc.; and respondents agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of MACE or any chemical self-

protection product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, directly or by implication, that:

A. One or more sprays of such product will keep an assailant incapacitated for up to or about 20 minutes or any other period of time;

B. The effectiveness of such product for civilian self-protection has been proven in use by police forces;

C. Four out of five or any other number of police officers in the United States carry such product; or

D. Over 4000 police departments or any other number of police departments in the United States use such product for protection against assault;

unless at the time of making such representation, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates such representation.

III.

It is further ordered, That respondents MACE Security International, Inc., a corporation, its successors and assigns, and its officers and directors; Personal Security, Inc., a corporation, its successors and assigns, and its officers and directors; Jon E. Goodrich, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; Robert P. Gould, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; and James Kardas, individually and as an officer and director of Personal Security, Inc.; and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of MACE or any chemical self-protection product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, directly or by implication, the relative or absolute efficacy, benefits, usage, performance, or

attributes of MACE or any chemical self-protection product, unless at the time of making such representation, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates such representation.

IV.

It is further ordered, That respondents MACE Security International, Inc., a corporation, its successors and assigns, and its officers and directors; Personal Security, Inc., a corporation, its successors and assigns, and its officers and directors; Jon E. Goodrich, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc. Robert P. Gould, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; and James Kardas, individually and as an officer and director of Personal Security, Inc.; and respondents agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of MACE or any substantially similar product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, directly or by implication, the effectiveness of MACE or any substantially similar product unless respondents disclose in each advertisement in which the representation is made, clearly and prominently, the following statement:

A. In a print advertisement:

"CAUTION: MACE MAY NOT BE EFFECTIVE AGAINST ARMED ASSAILANTS. MACE may take several seconds to work and may not work on enraged, drugged, or intoxicated people."

B. In a television, cablecast, videotape, or radio advertisement:

"CAUTION: MACE MAY NOT BE EFFECTIVE AGAINST ARMED ASSAILANTS AND ENRAGED, DRUGGED, OR INTOXICATED PEOPLE."

Nothing contrary to, inconsistent with, or in mitigation of the above disclosures shall be used in any advertisement in any medium.

For purposes of this order, "*clearly and prominently*" as used herein shall mean as follows:

(a) In a television, cablecast, and videotape release, the disclosure shall be presented simultaneously in both the audio and video portions of the advertisement. The audio disclosure shall be delivered in a volume and cadence and for a duration sufficient for an ordinary consumer to hear and comprehend it. The video disclosure shall be of a size and shade, and shall appear on the screen for a duration sufficient for an ordinary consumer to read and comprehend it.

(b) In a print advertisement, the above disclosure shall be printed in a typeface and color that are clear and prominent and in close proximity to the representation that triggers the disclosure.

(c) In a radio advertisement, the disclosure shall be delivered in a volume and cadence and for a duration sufficient for an ordinary consumer to hear and comprehend it.

V.

It is further ordered, That respondents MACE Security International, Inc., a corporation, its successors and assigns, and its officers and directors; Personal Security, Inc., a corporation, its successors and assigns, and its officers and directors; Jon E. Goodrich, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; Robert P. Gould, individually and as an officer and director of MACE Security International, Inc. and Personal Security, Inc.; and James Kardas, individually and as an officer and director of Personal Security, Inc.; and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of MACE or any substantially similar product, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, shall disclose the following statement on a product insert enclosed in each product package:

"CAUTION: MACE MAY NOT BE EFFECTIVE AGAINST ARMED ASSAILANTS. MACE may take several seconds to work and may not work on enraged, drugged, or intoxicated people."

On the product insert, the disclosure shall be printed in a typeface and color that are clear and prominent and shall appear before all written text, other than the name of the product or product slogans.

It is provided, however, it will not be considered a violation of this order provision V for respondents to use, until May 8, 1994, the product insert identified as Exhibit 1 of this order (the "in-print insert") in satisfaction of the product insert disclosure obligation specified in this order provision V, provided that:

- 1) The in-print inserts were printed prior to November 8, 1993;
- 2) The text, "You have purchased a MACE unit which contains the same formulation that has been proven in over twenty years of use by police departments. In fact, it has been chosen by more police departments than all other tear gas aerosols combined," shall be blacked out or otherwise rendered completely illegible; and
- 3) The text, "Do not use your MACE unit on an assailant who appears to be armed. Even though it may take only a few seconds for the MACE formulation to take effect, an armed assailant might use his weapon during those few seconds," shall be highlighted in yellow to increase its prominence.

VI.

It is further ordered, That respondents MACE Security International, Inc., a corporation, its successors and assigns, and its officers and directors; Personal Security, Inc., a corporation, its successors and assigns, and its officers and directors; Jon E. Goodrich, individually and as an officer and director of MACE Security International, Inc. and Personal Robert P. Gould, individually and as an officer MACE Security International, Inc. and Personal Security, Inc.; and James Kardas, individually and as an officer and director of Personal Security, Inc., shall, within thirty (30) days after the date of service of this order:

- 1) Send, by first class certified mail, return receipt requested, to each distributor of MACE with which they have done business since January 1, 1991, a copy of Appendix A of this order; and
- 2) Send, by first class mail, to each non-distributor who purchased MACE from respondents since January 1, 1991, a copy of Appendix B of this order.

VII.

It is further ordered, That for five (5) years after the last date of dissemination of any representation covered by this order, respondents MACE Security International, Inc. and Personal Security, Inc., or their successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All materials that were relied upon in disseminating such representation;

B. All tests, reports, studies, surveys, demonstrations or other evidence in their possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers; and

C. All return receipts required by order provision VI.

VIII.

It is further ordered, That respondents MACE Security International, Inc. and Personal Security, Inc. shall notify the Commission at least thirty (30) days prior to the effective date of any proposed change in the corporate respondent such as dissolution, assignment, or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries, the filing of a bankruptcy petition, or any other change in the corporation(s) that may affect compliance obligations arising out of this order.

IX.

It is further ordered, That respondents Jon E. Goodrich, Robert P. Gould, and James Kardas shall, for a period of ten (10) years from the date of issuance of this order, notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of his affiliation with any new business or employment in the self-protection industry. Each notice of affiliation with any new business or employment shall include respondent's new business address and telephone number, current home address, and a statement describing the nature of the business or employment and his duties and responsibilities.

X.

It is further ordered, That respondents MACE Security International, Inc., Personal Security, Inc., Jon E. Goodrich, Robert P. Gould, and James Kardas shall:

A. Within thirty (30) days after service of this order, provide a copy of this order to each of respondents' current principals, officers, directors and managers, and to all personnel, agents, and representatives having sales, advertising, or policy responsibility with respect to the subject matter of this order.

B. For a period of ten (10) years from the date of issuance of this order, provide a copy of this order to each of respondents' principals, officers, directors, and managers, and to all personnel, agents, and representatives having sales, advertising, or policy responsibility with respect to the subject matter of this order who are associated with respondents or any subsidiary, successor, or assign, within three (3) days after the person assumes his or her position.

XI.

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

EXHIBIT 1

LEGAL REQUIREMENTS

Possession and/or use of a MACE unit may be regulated or prohibited by law in some jurisdictions. If there is any question, check with your local police department. Federal law makes it a crime to transport a MACE unit on a passenger aircraft.

TESTING FOR REMAINING CONTENTS

1. Place the unit upside down on the bottom of a large flat bottomed glass which is 5 inches or more deep.

2. Steady device against bottom of glass with finger and let water to 50% line on device.

3. Allow device to float free in an upright position while steadily holding it with the thumb and forefinger to prevent from tipping. (See Figure 2). Percentage marker line at water surface indicates remaining contents.

4. Remove and shake out excess water.

NOTE: If device does not float, more than 50% of contents remain.



MACE UNIT SAFETY AND STORAGE

In light of the potential for serious skin irritation and, in extreme cases, of first and second degree burns, it is important to keep your MACE unit out of the reach of children and irresponsible adults. Do not store it in an environment where the temperature may exceed 120°F as the unit may leak from over pressurization and fail to function properly. Also, do not store the unit in an extremely cold environment since this may cause depressurization and the loss of firing range.

CARE OF YOUR MACE UNIT

Each MACE unit has an expiration date marked on the unit, after which the unit should be discarded. Dispose of the remaining contents by discharging the contents on the ground until empty. Take care to discharge the MACE unit downwind and away from all persons and animals in the vicinity. Avoid getting MACE on you and your clothing. If this happens, proceed as outlined in the First Aid section. The empty unit should be wrapped in a plastic bag and disposed of in a trash container. Do not puncture the MACE unit since it is under pressure and will discharge if punctured. Do not increase or place the unit in an environment where the temperature may exceed 120°F. Never tamper with or remove the red actuator button.

LIMITED WARRANTY

MSI warrants that your MACE unit shall be free from defects in material and workmanship which arise prior to the expiration date shown on the unit. Any implied warranties, including those of merchantability or fitness for a particular purpose are also limited to the expiration date shown on the unit and any action must be commenced within 90 days following the expiration date.

MSI's obligation under this warranty is limited to replacement of the defective unit which is returned to MSI within 60 days following the expiration date shown on the unit. The above remedy is exclusive and shall not apply if the unit has been subject to misuse or abuse.

Under no circumstance shall MSI be responsible for incidental or consequential damages with respect to economic loss or injury to person or property, whether as a result of breach of express or implied warranty, negligence, or otherwise. MSI will not be responsible for the result of careless handling or unreasonable use.

This warranty gives you specific rights, and you may also have other rights which vary from state to state. Some states do not allow time limitations on an implied warranty, or the exclusion or limitation of incidental or consequential damages, so the above exclusions may not apply to you.

MSI is licensed to use the MACE trademark.

Made in the U.S.A.
Printed in the U.S.A.

UK 1-MK VI 2.92

MSI
160 Benmont Avenue
Bennington, VT 05201
1-800-255-2634
1-802-447-1503

mace
BRAND SELF-DEFENSE SPRAY

**CAUTION
STRONG IRRITANT
CONTENTS UNDER PRESSURE**

CONGRATULATIONS

You have purchased a MACE unit which contains the same formulation that has been proven in over twenty years of use by police departments. In fact, it has been chosen by more police departments than all other tear gas services combined. IMPORTANT: PLEASE READ BEFORE USING YOUR MACE UNIT. We'd like to offer a few simple suggestions to help.

1. Your MACE unit contains 0.5 fluid ounces of tear gas in solution. This is enough for about 18 one-half second bursts. If you intend to rely upon your MACE unit as a defense, you should test the functioning of your unit periodically by discharging one or two bursts outdoors in a safe area away from all persons and animals in the vicinity. Take care that you do not exhaust the contents of the unit you intend to rely upon.

2. Your best protection is to avoid potentially dangerous situations if you can. Always be aware of your environment and the people around you. Be especially alert after dark.

3. Do everything you possibly can to escape from an assailant before resorting to the use of your MACE unit.

4. Do not use your MACE unit on an assailant who appears to be armed. Even though it may take only a few seconds for the MACE formulation to take effect, an armed assailant might use his weapon during those few seconds.

HOW TO USE YOUR MACE UNIT

1. When you sense that you are in a potentially dangerous situation, carry your MACE unit in your hand, and your thumb under the safety cover (A) and be ready to spray the assailant by pressing down on the red button (B) with your thumb. (See Figure 1).



2. Notice how the MACE unit is shaped so that you can feel by the feel how it should be held. The safety cover will prevent access to the red button if you hold the unit backward. The shape of your MACE unit will enable you to know, even in the dark or in a stressful situation, when the device is properly oriented and ready for use.

3. If you have to use your MACE unit, point and spray short bursts at the facial area of your assailant. Since the MACE formulation vaporizes on contact with the skin, it is not necessary to hit the assailant directly in the eyes. If you are using your MACE unit to repel an attacker, continue to fire until the attacker is incapacitated, then get away to a safe place as quickly as possible. Do not attempt to punish the attacker by continuously spraying because you may cause unnecessary suffering. Do not try to take the attacker into custody—you might be injured if you do. Contact the police when you are safely away.

4. The MACE unit is designed to be actuated in short one-half second bursts aimed at the face. When actuated, a stream of tear gas will issue from the unit a distance approximately 7-10 feet (more or less, depending upon the pressure in the unit and wind conditions). Avoid spraying directly into the wind. Use the unit when it is in the upright position, otherwise it may not function properly than or afterwards.

THE EFFECTS OF MACE FORMULATION

The MACE formulation is tear gas which causes profuse tearing if applied to or near the eyes. While most effective if applied to the eyes, it will cause tearing even if applied to the lower face or chest. MACE formulation will also induce a painful burning sensation to the eyes and skin. These effects begin to be felt in the usual case within 5 seconds.

However, effectiveness may be diminished on those having reduced sensitivity to pain. Also MACE formulation is usually not effective on dogs or other animals so you should not rely upon it to repel them.

Within 20 minutes after application the effects will diminish and your attacker will begin to recover. Remember that the effects are temporary and that your attacker may recover faster than the normal 20 minute period.

FIRST AID

CAUTION: FAILURE TO FOLLOW THESE INSTRUCTIONS MAY RESULT IN FIRST OR SECOND DEGREE BURNS, SEVERE SKIN IRRITATION, DEFORMITATION OR OTHER SKIN INJURY.

1. Remove contact lenses and contaminated clothing immediately. Contaminated clothing should be washed or dry cleaned, as appropriate, prior to re-use to prevent skin injury.

2. Flush contaminated areas with large quantities of cool water or a diluted baking soda solution and expose the area to fresh air as soon as possible.

3. Do not apply salves, ointments, oils or lotions as they can trap the irritant agent against the skin and result in blisters or burns. Consult a physician if irritation persists.

NOTE: The MACE unit contains a formulation of Phenylchloroacetylhydrazine (a highly purified form of CA) in a proprietary blend of mixed solvents consisting of 1, 1, 2 trichloro-1, 2, 2 tetrafluoroethane (approximately 80%), 1, 1, 1 trichloroethane (approximately 8%), and carbon dioxide as a propellant. The concentration of Phenylchloroacetylhydrazine (CA) is approximately 0.20 grams when formulated.

APPENDIX A

[To Be Printed On MACE Security International, Inc. Letterhead]

Dear [name of distributor]:

MACE Security International, Inc. ("MSI") and Personal Security, Inc. ("PSI") have entered into a consent agreement with the Federal Trade Commission ("FTC") to stop making certain representations about the effectiveness of MACE with 1% CN and other chemical self-protection products unless the representations are true and adequately substantiated. The FTC alleged that the advertising for MACE made the following false and unsubstantiated representations:

- (1) That one spray of MACE will stop an assailant;
- (2) That any contact with the upper torso by a spray of MACE will stop an assailant; and
- (3) That use of MACE will instantly stop an assailant.

The FTC also alleged that MSI and PSI, while making effectiveness claims, failed to disclose adequately that (a) it may take several seconds for the effects of MACE to begin, and (b) MACE may not be effective on many assailants including those who are armed, enraged, drugged, intoxicated, or otherwise desensitized.

Finally, the FTC alleged that MSI and PSI did not possess adequate substantiating evidence for the following representations:

- (1) That MACE will keep an assailant incapacitated for up to or about 20 minutes;
- (2) That the effectiveness of MACE for civilian self-protection has been proven in use by police forces;
- (3) That four out of five police officers in the United States carry MACE; and
- (4) That over 4000 police departments in the United States use MACE for protection against assault.

The products covered by this consent agreement include MACE and other chemical self-protection products. You were previously supplied with promotional materials or advertising copy that make the above representations. You should stop using or relying on these materials as the basis for your own advertising unless and until we provide you with adequate substantiation for the representations or provide new materials or advertising copy that comply with the consent agreement.

Sincerely,

Jon E. Goodrich
President, MACE Security International, Inc. and
Personal Security, Inc.

APPENDIX B

[To Be printed On MACE Security International, Inc. Letterhead]

Dear Consumer:

Our records indicate that you purchased MACE chemical self-protection spray from our company. This is to advise you that MACE Security International, Inc. ("MSI") and Personal Security, Inc. ("PSI") have entered into a consent agreement with the Federal Trade Commission ("FTC") to stop making certain representations about the effectiveness of MACE with 1% CN and other chemical self-protection products unless the representations are true and adequately substantiated. The FTC alleged that the advertising for MACE made the following false and unsubstantiated representations:

- (1) That one spray of MACE will stop an assailant;
- (2) That any contact with the upper torso by a spray of MACE will stop an assailant; and
- (3) That use of MACE will instantly stop an assailant.

The FTC also alleged that MSI and PSI, while making effectiveness claims, failed to disclose adequately that 1) it may take several seconds for the effects of MACE to begin, and 2) MACE may not be effective on many assailants including those who are armed, enraged, drugged, intoxicated, or otherwise desensitized.

Finally, the FTC alleged that MSI and PSI did not possess adequate substantiating evidence for the following representations:

- (1) That MACE will keep an assailant incapacitated for up to or about 20 minutes;
- (2) That the effectiveness of MACE for civilian self-protection has been proven in use by police forces;
- (3) That four out of five police officers in the United States carry MACE; and
- (4) That over 4000 police departments in the United States use MACE for protection against assault.

The products covered by this consent agreement include MACE and other chemical self-protection products. We advise that you limit your use of MACE in accordance with these restrictions:

- (1) MACE may not be effective against armed assailants.
- (2) MACE may take several seconds to work.
- (3) MACE may not work on enraged, drugged, or intoxicated assailants.

Sincerely,

Jon E. Goodrich
President, MACE Security International, Inc. and
Personal Security, Inc.

Modifying Order

117 F.T.C.

IN THE MATTER OF

ARKLA, INC.

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

Docket C-3265. Consent Order, Oct. 10, 1989--Modifying Order, Mar. 28, 1994

This order grants a petition to reopen the proceeding and modifies the Commission's 1989 consent order (112 FTC 509) by modifying the description of the assets identified in paragraph I(j) and Schedule B of the order as the Arkla Pipeline Assets. The Commission concluded that changed conditions warranted reopening and modifying the order.

ORDER

Arkla, Inc. ("Arkla"), filed a "Petition To Reopen and Modify Consent Order, Request for Approval of Divestiture by Arkla, Inc., Required by Final Order, and Request for Expeditious Consideration, Including Waiving the Public Comment Period" ("Petition"), in Docket C-3265 on March 2, 1994, pursuant to Section 5(b) of the Federal Trade Commission Act, 15 U.S.C. 45(b), and Section 2.51 of the Commission's Rules of Practice, 16 CFR 2.51.¹ In its Petition, Arkla requests that the Commission reopen the consent order issued on October 23, 1989 ("order"), and modify the description of the assets identified in paragraph I(j) and Schedule B of the order as the "Arkla Pipeline Assets." Arkla bases its request to reopen and modify the order on changed conditions of fact and law and the public interest. For the reasons discussed below, the Petition is granted.

I. Background

The order was issued by the Commission to remedy the alleged anticompetitive effects of Arkla's 1986 acquisition of a pipeline and right of way of the TransArk Transmission Company ("TransArk Assets"). The complaint alleged that the acquisition eliminated the

¹ Arkla previously filed a petition to reopen the order on December 6, 1993; Arkla withdrew the December petition when the current Petition was filed.