

IN THE MATTER OF
COMTRAD INDUSTRIES, INC.

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

Docket C-3719. Complaint, Feb. 25, 1997--Decision, Feb. 25, 1997

This consent order prohibits, among other things, the Virginia-based company from misrepresenting the ability of food storage product to cool food items or maintain proper cold storage temperatures and to hold its cooling capacity after being unplugged, or misrepresenting the effect of operating such a product off a car battery when the car is not running, and requires the respondent to substantiate any claims regarding the safety or efficacy of food storage products.

Appearances

For the Commission: *John T. Dugan.*

For the respondent: *James E. Moore, Christian, Barton, Epps, Brent & Chappell, Richmond, VA.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Comtrad Industries, Inc., a corporation ("respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Comtrad Industries, Inc. is a Virginia corporation with its principal office or place of business at 2820 Waterford Lake Drive, Suite 106, Midlothian, Virginia.

2. Respondent has advertised, offered for sale, sold, and distributed products to the public through print advertisements and through the Internet's World Wide Web, including the Koolatron, a portable electronic food cooler and warmer also known as a thermo-electric cooler.

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

4. Respondent has disseminated or has caused to be disseminated advertisements and promotional materials for the Koolatron, including but not necessarily limited to the attached Exhibits A and

B. These advertisements and promotional materials contain the following statements:

A. "500 miles from nowhere, it'll give you a cold drink or a warm burger . . . NASA space flights inspired this portable fridge that outperforms conventional fridges, replaces the ice chest and alternates as a food warmer.

Recognize the ice cooler in this picture? Surprisingly enough, there isn't one. What you see is a Koolatron, an invention that replaces the traditional ice cooler, and its many limitations, with a technology even more sophisticated than your home fridge. And far better suited to travel.

What's more, the innocent looking box before you is not only a refrigerator, it's also a food warmer.

NASA inspired portable refrigerator. Because of space travel demands, scientists had to find something more dependable and less bulky than traditional refrigeration coils and compressors. Their research led them to discover a miraculous solid-state component called the thermoelectric module."

"From satellites to station wagons. [T]hermoelectric temperature control has now been proven with more than 25 years of use in some of the most rigorous space and laboratory applications. And Koolatron is the first manufacturer to make this technology available to families, fishermen, boaters, campers and hunters -- in fact, anyone on the move.

Home refrigeration has come a long way since the days of the ice box and the block of ice. But when we travel, we go back to the sloppy ice cooler with its soggy and sometimes spoiled food. No more! Now . . . all the advantages of home cooling are available for you electronically and conveniently.

Think about your last trip. You just got away nicely on your long-awaited vacation. You're cruising comfortably in your car along a busy interstate with only a few rest stops or restaurants. You guessed it . . . the kids want to stop for a snack. But your Koolatron is stocked with fruit, sandwiches, cold drinks, fried chicken . . . fresh and cold."

....
"Hot or cold. With the switch of a plug, the Koolatron becomes a food warmer for a casserole, burger or baby's bottle. It can go up to 125 degrees."

....
"Just load it up and plug it in. On motor trips, plug your Koolatron into your cigarette lighter; it will use less power than a taillight. If you decide to carry it to a picnic place or a fishing hole, the Koolatron will hold its cooling capacity for 24 hours. If you leave it plugged into your battery with the engine off, it consumes only three amps of power."

....
(Exhibit A).

B. "Technology combines the dependable cooling power of a refrigerator with the convenience of a cooler . . . heats food too!

Remarkable new portable cooler/warmer reduces the outside temperature by up to 40 degrees and heat[s] up to 125 degrees!"

....
Imagine the versatility and convenience of a cooler that worked like a refrigerator. You could have ice-cold drinks at softball games, enjoy a picnic without soggy or spoiled food, even store insulin or other medicine that needs to be refrigerated. You

could take it along when traveling and avoid the long lines and high prices of rest areas and interstate restaurants.

Now, imagine that this cooler that worked like a refrigerator could also heat food. You could warm baby formula or enjoy warm drinks at football games, camping, hunting or anywhere else. Sound like a dream? It's not -- the Koolatron cooler/warmer does it all."

"Hot or cold. One of the most innovative things about Koolatron is that it works as well to heat food as to cool it. In the cool mode, Koolatron can reduce the outside temperature by as much as 40 degrees F. With the switch of a plug, Koolatron goes from a refrigerator to a food warmer, going up to 125 degrees.

Just plug it in. Koolatron plugs directly into your vehicle's cigarette lighter and uses less power than a taillight. If you leave it plugged in while the vehicle is off, it will consume only three amps of power. Unplugged, Koolatron will hold its cooling capacity for up to 24 hours."

"Modern solution. Home refrigeration has come a long way from the "ice box" of the 1920s. But when we travel, we revert to similar methods and sloppy or spoiled food. Now, . . . the advantages of home refrigeration are available to you electronically."

....

(Exhibit B).

5. Through the means described in paragraph four, respondent has represented, expressly or by implication, that:

A. The Koolatron is as effective at cooling food items and medicines as a home refrigerator.

B. The Koolatron will effectively cool down warm items and heat up cold items.

C. Once unplugged from a power source, the Koolatron will hold its cooling capacity for 24 hours.

D. Operating the Koolatron off a car battery when the car is not running will result in only a minimal power drain off the car's battery.

6. In truth and in fact:

A. The Koolatron is not as effective at cooling food items and medicines as a home refrigerator. Among other reasons, the Koolatron's internal cold storage temperature is highly dependent on outside air or room temperatures, and in many circumstances it will not maintain internal cold storage temperatures comparable to a home refrigerator.

B. The Koolatron will not effectively cool down warm items or heat up cold items. The Koolatron is primarily designed to maintain the cool or warm temperatures of items that were already cool or warm before being placed in the Koolatron. It may take up to twelve

hours or more for the Koolatron to cool down a warm item or heat up a cold item.

C. In most instances, once unplugged from a power source, the Koolatron will not hold its cooling capacity for 24 hours.

D. Operating the Koolatron off a car battery when the car is not running does not result in a minimal power drain off the car's battery. Use of the Koolatron in this manner may drain the car battery of all power in as little as three hours.

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

7. Through the means described in paragraph four, respondent has represented, expressly or by implication, that it possessed and relied upon a reasonable basis that substantiated the representations set forth in paragraph five, at the time the representations were made.

8. In truth and in fact, respondent did not possess and rely upon a reasonable basis that substantiated the representations set forth in paragraph five, at the time the representations were made. Therefore, the representation set forth in paragraph seven was, and is, false or misleading.

9. In its advertising and sale of the Koolatron, respondent has represented that the Koolatron is effective, useful, or appropriate for refrigerating or cooling food items, or for holding food items at a cool temperature, including in a wide variety of outdoor settings. Respondent has failed to disclose that the Koolatron may not keep perishable food items, such as meat, poultry, and fish, sufficiently cold to prevent the growth of bacteria when the surrounding outside temperature is greater than 80 degrees Fahrenheit, including when the Koolatron is used in hot weather, in direct sunlight, or in a hot car. Use of the Koolatron in such circumstances poses a risk of buildup of harmful or unsafe bacteria and could lead to food-borne illness. These facts would be material to consumers in their purchase or use of the product. The failure to disclose these facts, in light of the representations made, was, and is, a deceptive practice.

10. In its advertising and sale of the Koolatron, respondent has represented that the Koolatron is effective, useful, or appropriate for heating or warming food items, or for holding food items at a warm temperature. Respondent has failed to disclose that, because the Koolatron's maximum internal heating temperature of 125 degrees Fahrenheit is not high enough to kill or prevent the growth of certain bacteria in perishable food items such as meat, poultry, and fish,

holding perishable food in the Koolatron in its warming mode poses a risk of buildup of harmful or unsafe bacteria and could lead to food-borne illness. These facts would be material to consumers in their purchase or use of the product. The failure to disclose these facts, in light of the representations made, was, and is, a deceptive practice.

11. The acts and practices of respondent 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

500 miles from nowhere, it'll give you a cold drink or a warm burger...

NASA space flights inspired this portable fridge that outperforms conventional fridges, replaces the ice chest and alternates as a food warmer.



Recognize the ice cooler in this picture? Surprisingly enough, there isn't one. What you see instead is a Koolatron, an invention that replaces the traditional ice cooler, and its many limitations, with a technology even more sophisticated than your home fridge. And far better suited to travel. What's more, the innocent looking box before you is not only a refrigerator, it's also a food warmer.

NASA inspired portable refrigerator. Because of space travel's tough demands, scientists had to find something more dependable and less bulky than traditional refrigeration coils and compressors. Their research led them to discover a miraculous solid-state component called the thermoelectric module.

Aside from a small fan, this electronic fridge has no moving parts to wear out or break down. It's not affected by tilting, jarring or vibration (situations that cause home fridges to fail). The governing module, no bigger than a matchbook, actually delivers the cooling power of a 10-pound block of ice.

From satellites to station wagons, thermoelectric temperature control has now been proven with more than 15 years of use in some of the most rigorous space and laboratory applications. And Koolatron is the first manufacturer to make this technology available to families, fishermen, boaters, campers and hunters—in fact, anyone on the move.

Home refrigeration has come a long way since the days of the ice box and the block of ice. But when we travel, we go back to the stoppy ice cooler with its soggy and sometimes

spoiled food. No more! Now for the price of a good cooler and one or two seasons of buying ice (or about five family restaurant meals), all the advantages of home cooling are available for you electronically and conveniently.

Think about your last trip. You just got away nicely on your long-awaited vacation.

You're cruising comfortably in your car along a busy interstate with only a few rest stops or restaurants. You guessed it...the kids want to stop for a snack. But your Koolatron is stocked with fruit, sandwiches, cold drinks, fried chicken...fresh and cold. Everybody helps themselves and you have saved valuable vacation time and another expensive restaurant bill.

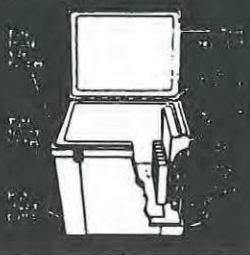
Hot or cold. With the switch of a plug, the Koolatron becomes a food warmer for a casserole, burger or baby's bottle. It can go up to 125 degrees.

And because there are no temperamental compressors or gasses, the Koolatron works perfectly under all circumstances, even upside down. Empty, the large model weighs only 12 pounds and the smaller one weighs just seven. Full, the large model holds up to 40 12-ounce cans and the smaller one holds six.

Just load it up and plug it in. On motor trips, plug your Koolatron into your cigarette lighter; it will use less power than a taillight. If you decide to carry it to a picnic place or a fishing hole, the Koolatron will hold its cooling capacity for 24 hours. If you leave it plugged into your battery with the engine off, it consumes only three amps of power.

The refrigerator from outer space.

The secret of the Koolatron Koolatron is that it doesn't use refrigerant. It uses a solid-state thermoelectric module to produce the refrigeration effect. The module is a plug-in device that can be used in a car or a home.



Limited-time offer.

Because Contrad is bringing this offer to you directly, you save the cost of middlemen and retail mark-ups. For a limited time only, you can get this advanced, portable Koolatron refrigerator at the introductory price of \$99. Call today to take advantage of this special promotional pricing. Most orders are processed within 72 hours and shipped UPS in 10 to 15 days.

Try it risk-free.

We guarantee your satisfaction with any product from Contrad Industries. With the Koolatron you get our complete "No Questions Asked" 90-day money-back guarantee. Plus you get a full one-year manufacturer's limited warranty. If you are not satisfied for any reason, just return the product for a complete refund.

Koolatron (P24x) holds 30 quarts...\$99 \$32 S&H
Koolatron (P9) holds 7 quarts...\$79 \$16 S&H
Optional AC Adapter (AC 10)...\$49 \$12 S&H
All amounts in U.S. dollars

Please mention promotional code 735-TM7107. For fastest service call toll-free 24 hours a day.

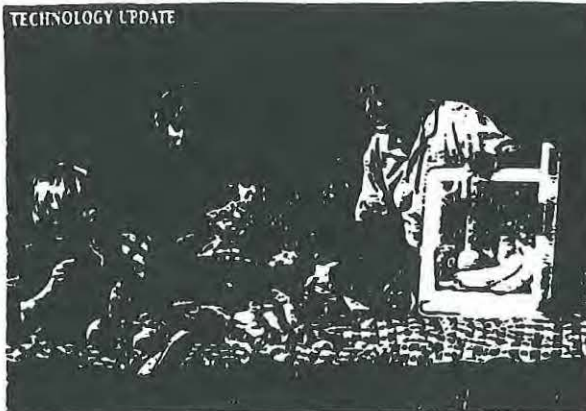
800-704-1210

To order by mail send check or money order for the total amount including S&H (VA residents add 4.5% sales tax). On charge to your credit card by enclosing your account number and credit card.

CONTRAD INDUSTRIES

2820 Waterford Lake Drive, Suite 106
Midlothian, Virginia 22113

EXHIBIT B



Technology combines the dependable cooling power of a refrigerator with the convenience of a cooler... heats food too!

Remarkable new portable cooler/warmer reduces the outside temperature by up to 40 degrees and heat up to 125 degrees!

by Ellen C. Burns

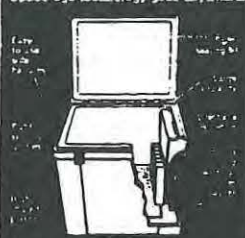
Imagine the versatility and convenience of a cooler that worked like a refrigerator. You could have ice-cold drinks at softball games, enjoy a picnic without soggy or spoiled food, even store insulin or other medicine that needs to be refrigerated. You could take it along when travelling and avoid the long lines and high prices at rest areas and interstate restaurants.

Now, imagine that this cooler that worked like a refrigerator could also heat food. You could warm baby formula or enjoy warm drinks at football games, camping, hunting, or anywhere else. Sound like a dream? It's not—the Koolatron cooler/warmer does it all.

MASA-inspired portable refrigerator. When man first attempted to explore the "final frontier," scientists were forced to develop many new ways to deal with the demanding new environment. Standard refrigeration technology and equipment were not suited for use in space. Scientists had to develop equipment that was more dependable and less bulky than traditional refrigeration coils and compressors. Their research led to the discovery of a miraculous solid-state component called the thermoelectric module.

With more than 25 years of use in the most rigorous space and laboratory applications, thermoelectric temperature control has proven itself. Now, this technology is available to you in this amazing new product.

Space-age technology goes anywhere.



Koolatron's secret is a mini-thermoelectric module which effectively replaces the bulky piping coils, loud motors and temperamental compressors used in conventional refrigeration. In the cool mode, the Koolatron reduces the outside temperature by 40° F. With the switch of a plug, it becomes a food warmer, going up to 125°.

Hot or cold. One of the most innovative things about Koolatron is that it works as well to heat food as it does to cool it. In the cool mode, Koolatron can reduce the outside temperature by as much as 40 degrees F. With the switch of a plug, Koolatron goes from a refrigerator to a food warmer, going up to 125 degrees.

Just plug it in. Koolatron plugs directly into your vehicle's cigarette lighter and uses less power than a taillight. If you leave it plugged in while the vehicle is off, it will consume only three amps of power. Unplugged, Koolatron will hold its cooling capacity for up to 24 hours.

Koolatron is also extremely lightweight, so picnickers can carry it to the picnic site. The large model weighs only 12 pounds and the smaller one weighs only seven. Since there's no ice to weigh it down or take up room, the large model holds up to 40 12-ounce cans. The smaller one will hold six.

Modern solution. Home refrigeration has come a long way from the "ice box" of the 1920s. But when we travel, we revert to similar methods and sloppy or spoiled food. Now, for the price of a good cooler and a season or two of buying ice for the price of about five family restaurant meals, the advantages of home refrigeration are available to you electronically.

Aside from a small built-in fan, Koolatron has no moving parts to wear out or break. It isn't affected by tilting, jarring or vibration. Koolatron works perfectly under all circumstances...even upside down! No bigger than a matchbox, the module has the cooling power of a 10-pound block of ice.

Not just for travel. With the optional adapter, you can plug Koolatron into any electrical outlet. Enjoy cold or warm meals in your hotel room without room service! Use it at your home as an extra fridge. Koolatron is even compact enough for college dorm rooms and makes a great gift for any college student.

Try it risk-free. Koolatron is backed by Comtrad's exclusive risk-free home trial. Try it and if you are not totally satisfied, return it within 30 days for a full refund. "No Questions Asked." It is also backed by a one-year manufacturer's limited warranty. Most orders are processed within 72 hours and shipped UPS.

Factory-direct offer. If you were to find this product in stores, you might expect to pay as much as \$149. But for a limited time only, you can get Koolatron directly through Comtrad Industries for the introductory price of just \$99. Call now to take advantage of this special promotional pricing!

Koolatron has two convenient sizes; one holds seven quarts and the other holds 30 quarts.

30-quart Koolatron	\$99 \$16 S&H
7-quart Koolatron	\$79 \$8 S&H
Optional AC Adapter	\$49 \$8 S&H

Please mention promotional code 732-225001.

For fastest service, call toll-free 24 hours a day

800-704-1211



To place your mail order, check or money order for the amount including S&H/VAT/fees, add 13% sales tax. Do not pay by cash, credit card, or check drawn on a business or government bank.

COMTRAD INDUSTRIES

2820 Waterford Lake Drive, Suite 106
Midlothian, Virginia 23113

DECISION AND ORDER

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

The respondent, its attorney, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, 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 respondent has 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 Comtrad Industries, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the Commonwealth of Virginia, with its offices and principal place of business located at 2820 Waterford Lake Drive, Suite 106, Midlothian, Virginia.

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

ORDER

DEFINITIONS

For purposes of this order, the following definitions shall apply:

1. "*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.

2. "*Clearly and prominently*" shall mean as follows:

A. In a television or video advertisement, 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 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 radio advertisement, the disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it.

C. In a print advertisement, the disclosure shall be in a type size, and in a location, that are sufficiently noticeable so that an ordinary consumer will see and read it, in print that contrasts with the background against which it appears. In multi-page documents, the disclosure shall appear on the cover or first page.

D. In an advertisement on any electronic media received by consumers via computer, such as the Internet's World Wide Web or commercial on-line computer services, the disclosure shall be in a type size, and in a location, that are sufficiently noticeable so that an ordinary consumer will see and read it, in print that contrasts with the background against which it appears. In multi-screen documents, the disclosure shall appear on the first screen and on any screen containing ordering information.

E. On a product label, the disclosure shall be in a type size, and in a location on the principal display panel, that are sufficiently noticeable so that an ordinary consumer will see and read it, in print that contrasts with the background against which it appears.

Nothing contrary to, inconsistent with, or in mitigation of the disclosure shall be used in any advertisement or on any label.

3. Unless otherwise specified, "*respondent*" shall mean Comtrad Industries, Inc., a corporation, its successors and assigns, and its officers, agents, representatives and employees.

4. "*In or affecting commerce*" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

5. "*Substantially similar product*" shall mean any portable device that operates off a thermo-electric unit and is intended to store or hold food at cool or warm temperatures.

I.

It is ordered, That respondent, 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 any product for use in the storage of food in or affecting commerce, shall not misrepresent, in any manner, expressly or by implication:

A. The comparative or absolute ability of such product to refrigerate or cool food items or medicines or to maintain proper cold storage temperatures;

B. The comparative or absolute ability of such product to heat or warm food items;

C. The comparative or absolute ability of such product to hold its cooling capacity after being unplugged from a power source; or

D. The effect of operating such product off a car battery when the car is not running, including the amount of power used by the product in such circumstances or the potential for such use to drain the car battery of power.

II.

It is further ordered, That respondent, 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 any product for use in the storage of food, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the benefits, performance, efficacy, or safety of such product, unless, at the time the representation is made, respondent possesses and relies upon

competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

III.

It is further ordered, That respondent, 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 the Koolatron or any substantially similar product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the cooling capacity of such product, or about the effectiveness, usefulness, or appropriateness of such product for refrigerating or cooling food items, or for holding food items at a cool temperature, unless it discloses, clearly and prominently, and in close proximity to the representation, that such product may not keep perishable food items, such as meat, poultry, and fish, sufficiently cold to prevent the growth of bacteria when the surrounding outside temperature is greater than 80 degrees Fahrenheit, including when such product is used in hot weather, in direct sunlight, or in a hot car, and that use of such product in these circumstances poses a risk of buildup of harmful or unsafe bacteria and could lead to food-borne illness.

IV.

It is further ordered, That respondent, 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 the Koolatron or any substantially similar product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the effectiveness, usefulness, or appropriateness of such product for heating or warming food items, or for holding food items at a warm temperature, unless it discloses, clearly and prominently, and in close proximity to the representation, that heating, warming, or holding perishable food items such as meat, poultry, and fish in such product in its warming mode may pose a risk of buildup of harmful or unsafe bacteria and could lead to food-borne illness.

V.

It is further ordered, That respondent Comtrad Industries, Inc. and its successors and assigns shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All advertisements and promotional materials containing the representation;

B. All materials that were relied upon in disseminating the representation; and

C. All tests, reports, studies, surveys, demonstrations, or other evidence in its possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

VI.

It is further ordered, That respondent Comtrad Industries, Inc. and its successors and assigns shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondent shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

VII.

It is further ordered, That respondent Comtrad Industries, Inc. and its successors and assigns shall notify the Commission at least thirty (30) days prior to any change in the corporation(s) that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a

bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation about which respondent learns less than thirty (30) days prior to the date such action is to take place, respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C.

VIII.

It is further ordered, That respondent Comtrad Industries, Inc. and its successors and assigns shall, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade 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.

IX.

This order will terminate on February 25, 2017, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any Part in this order that terminates in less than twenty (20) years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Complaint

123 F.T.C.

IN THE MATTER OF
PREMIER PRODUCTS, INC., ET AL.

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

Docket C-3720. Complaint, Feb. 26, 1997--Decision, Feb. 26, 1997

This consent order prohibits, among other things, the New Jersey-based corporations, that advertise "Miracle Thaw" food thawing trays, and their officers from misrepresenting, with respect to any product involving the storage or preparation of food, the risk of buildup of harmful or unsafe levels of bacteria on food items defrosted, thawed, prepared, or stored using the product; the amount of time it may take to defrost, thaw, or prepare food items using the product; the process by which the product achieves any claimed defrosting, thawing, or preparation times; or the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research.

Appearances

For the Commission: *John T. Dugan.*

For the respondents: *Jeffrey Edelstein, Hall, Dickler, Kent, Friedman & Wood, New York, N.Y.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Premier Products, Inc., T.V. Products, Inc., and T.V.P. Corporation, corporations, and Michael Sander and Issie Kroll, individually and as officers of the corporations ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Premier Products, Inc. is a New Jersey corporation with its principal office or place of business at 23 Vreeland Road, Florham Park, New Jersey.

2. Respondent T.V. Products, Inc. is a New Jersey corporation with its principal office or place of business at 23 Vreeland Road, Florham Park, New Jersey.

3. Respondent T.V.P. Corporation is a New Jersey corporation with its principal office or place of business at 23 Vreeland Road, Florham Park, New Jersey.

4. Respondent Michael Sander is an officer of the corporate respondents. Individually or in concert with others, he formulates, directs, or controls the policies, acts, or practices of the corporations,