

Complaint

124 F.T.C.

IN THE MATTER OF

BLUE CORAL, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket 9280. Complaint, July 12, 1996--Decision, Dec. 9, 1997*

This consent order prohibits Blue Coral, Inc., Blue Coral - Slick 50, Inc., and Blue Coral - Slick 50, Ltd., successors-in-interest to Quaker State - Slick 50, Inc., Slick 50 Management, Inc., Slick 50 Products Corp. and Slick 50 Corp., among other things, from making any claims about the performance, benefits, efficacy, attributes or use of any engine treatment, oil additive, or Slick 50 engine lubricant, unless the companies possess and rely on competent and reliable evidence to substantiate the claims. In addition, it prohibits the companies from claiming that any other Slick 50 motor vehicle lubricant reduces wear on a part, extends the part's life, lowers engine temperature, reduces toxic emissions, increases gas mileage or increases horsepower, unless they can substantiate the claim. The respondents also will be required to notify resellers of the product about the settlement with the Commission and the restrictions on advertising claims. Finally, the consent order holds open the option that the Commission may seek consumer redress.

Appearances

For the Commission: *Lawrence Hodapp, Robert Frisby, Jonathan Cowen and Laura DeMartino.*

For the respondents: *William MacLeod, Collier, Shannon, Rill & Scott, Washington, D.C.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Quaker State - Slick 50, Inc., a corporation; Slick 50 Management, Inc., a corporation; Slick 50 Products Corp., a corporation; and Slick 50 Corp., a corporation, or their predecessors-in-interest ("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 Quaker State - Slick 50, Inc. ("Quaker State - Slick 50"), is a Delaware corporation, with its office and principal place of business located at 1187 Brittmoore Road, Houston, Texas 77043. Quaker State - Slick 50 is a holding company for Slick 50 Management, Inc., and is the successor-in-interest to

Slick 50, Inc., which was merged with and into Quaker State - Slick 50 on July 11, 1995.

Respondent Slick 50 Management, Inc. ("Slick 50 Management"), is a Delaware corporation, with its office and principal place of business located at 1187 Brittmoore Road, Houston, Texas. Slick 50 Management is a wholly-owned subsidiary of Quaker State - Slick 50, and is a holding company for Slick 50 Products Corp., Slick 50 Corp., and the "Slick 50" trademark.

Respondent Slick 50 Products Corp. ("Slick 50 Products") is a Delaware corporation, with its office and principal place of business located at 1187 Brittmoore Road, Houston, Texas. Slick 50 Products is a wholly-owned second-tier subsidiary of Quaker State - Slick 50.

Respondent Slick 50 Corp. is a Delaware corporation, with its office and principal place of business located at 1187 Brittmoore Road, Houston, Texas. Slick 50 Corp. is a wholly-owned second-tier subsidiary of Quaker State - Slick 50.

PAR. 2. Respondents have manufactured, advertised, promoted, offered for sale, sold and distributed various aftermarket motor oil additives (sometimes referred to as engine treatments) known by the product name Slick 50 to consumers. These products consist primarily of particles of the polymer polytetrafluoroethylene ("PTFE") suspended in a fully formulated motor oil.

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 Slick 50, including, but not necessarily limited to, the attached Exhibits A-I. These advertisements contain the following statements and visual depictions:

A. A television advertisement for Slick 50:

Video: Key starting the ignition followed by metal file and metal rope grinding together.

Announcer: Every time you cold start your car without Slick 50 protection, metal grinds against metal in your engine.

Video: A key turning the ignition accompanied by sound of metal grinding.

Announcer: With each turn of the ignition you do unseen damage, because at cold start-up most of the oil is down in the pan.

Video: Shows a box of Slick 50, and then shows a bottle of Slick 50 being poured into a funnel.

Announcer: But Slick 50's unique chemistry bonds to engine parts. It reduces wear up to 50% for 50,000 miles.

[Super: Proven by Independent Lab Tests.]

Video: A large heavy ball is dropped down onto the car and demolishes it.

Announcer: So get Slick 50, while there's still time.

Video: Shows three different boxes of Slick 50 and then shows the demolished car.

Announcer: Slick 50's engine formula, the world's number one selling engine treatment.

[Super: Advanced Technology/Street Smart Science.] (Exhibit A)

B. A television advertisement for Slick 50:

Video: Family is in a cemetery watching a car fall into a grave.

Announcer: There is nothing quite so tragic as an untimely loss.

Video: A bottle of Slick 50 is poured into a funnel.

Announcer: So protect the life of your car's engine with Slick 50.

[Super: Advanced Technology/Street Smart Science.]

The world's number one selling engine treatment. (Exhibit B)

C. A radio advertisement for Slick 50:

Experts say up to 80% of engine wear takes place at start-up. They explain it this way... when you first start your car, the oil is down in the oil pan. It's a good ten seconds before it starts working again. Ten seconds of harsh, metal-to-metal wear. Slick 50 Engine Formula protects against that wear... by bonding the slipperiest stuff ever invented directly to those wear points. A special chemical package makes it happen... and nobody else has it.

So when you start your engine, Slick 50 is on the job even when your oil isn't. If you're serious about fighting wear, give your engine what it takes. Slick 50 Engine Formula. (Exhibit C)

D. A promotional brochure for Slick 50:

LUBRICATION AND TODAY'S ENGINES

Today's engines are marvels of modern engineering...But there's a downside to this new technology. As operating conditions become more extreme, your motor oil can lose its ability to effectively lubricate the engine...it becomes obvious that under many conditions, even modern motor oil formulations may not provide the anti-wear protection you need.

WHAT IT TAKES IS SLICK 50 AUTOMOTIVE ENGINE FORMULA

Slick 50 Automotive Engine Formula is a technologically advanced automotive engine treatment that protects critical engine parts against wear...at start-up and through thousands of miles of punishing stop-and-go driving. Its unique and effective protection lasts through dozens of oil changes, for 50,000 miles. That's what it takes...and here's what it does.

- * Reduces engine wear up to 50%
- * Provides protection during crucial start-up period
- * Protects during high-temperature, high-stress conditions
- * Protection lasts for 50,000 miles

If you have Slick 50, what you have is a protective coating of PTFE bonded on there. (Expert endorser)

What makes Slick 50 Automotive Engine Formula different is an advanced chemical support package designed to bond a specially activated PTFE to the metal in your engine. (Exhibit D)

E. Slick 50 product packaging:

PROVEN PROTECTION

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At Start-Up: Slick 50 Automotive Engine Formula is best known for providing wear protection at start-up. In one tightly controlled sequence of start-stop tests conducted by a renowned independent testing laboratory, engines treated with Slick 50 showed a full 42 percent less wear on the piston rings than identical untreated engines. (See Chart 1)

... Claims for Slick 50 Automotive Engine Formula are verified through these and other independent laboratory tests conducted at nationally recognized facilities monitored by the American Society for Testing and Materials (ASTM).

BENEFITS SHOWN IN INDEPENDENT TEST PROGRAMS

Reduces engine wear up to 50%

Provides protection at start-up

Protects in high temperature, high-stress conditions

Protects for 50,000 miles. (Exhibit E)

F. Slick 50 product packaging:

SLICK 50[.] THE ENGINE LIFE EXTENDER

SLICK 50 ADVANCED FORMULA ENGINE TREATMENT[.] Extends Engine Life ...

Reduces friction, heat & wear

... Since Slick 50 was first developed more than 15 years ago, it has been tested more than any other engine treatment. It's been proven to work.

WHY SLICK 50 IS BETTER PROTECTS BETTER THAN ORDINARY MOTOR OIL START UP PROTECTION

When you turn off your engine, virtually all your motor oil drains down into the pan, leaving critical parts unprotected. After a few hours, when you turn the key and drive, metal grinds against metal. This is when up to 80 percent of all engine wear occurs. THERE'S ONE SOLUTION. Slick 50's unique formula ... is proven to bond to vital engine parts, protecting them better than ordinary motor oil.

MAKES ENGINES LAST LONGER

Less heat and wear on critical parts means better long term performance and cooler running. This lowers your risk of costly engine repairs, rebuilds, and expensive breakdowns.

PROVEN THE BEST

50,000 MILE ENGINE WEAR TEST...

41% LESS WEAR ON TOP ROD BEARINGS

Industry recognized lab tests in real engines, under real operating conditions, prove Slick 50 significantly reduces wear for 50,000 miles. Slick 50 is the only engine treatment to have tested, passed and published the results of these stringent tests. (Exhibit F)

G. Slick 50 promotional brochure:

Count on Slick 50 to:

- * Reduce engine wear at start-up.
- * Lower engine temperature by reducing friction.
- * Improve horsepower.
- * Increase gas mileage.
- * Reduce toxic emissions.

Military specifications are MIL-L-2104-C MIL-L-46152-A.

TEST RESULTS CONFIRM MORE THAN 50% WEAR REDUCTION

It's performed in U.S. Government vehicles.

(Exhibit G) (English language) and (Exhibit H) (Spanish language)

H. Slick 50 Home Page on Internet

("http://www.slick50.com");

Slick 50 Automotive Engine Formula significantly reduces wear on critical engine parts:

- * Protects the engine at start-up, when substantial engine wear occurs.
 - * Reduces wear on engine parts operating under conditions of boundary lubrication (that is, making metal-to-metal contact), including the first and second piston rings.
 - * Reduces engine wear by up to 50 percent for 50,000 miles.
 - * Long term, by reducing engine wear, Slick 50 Automotive Engine Formula can contribute to lower maintenance and repair costs and to extended engine life. By reducing ring wear, it also has the potential to reduce automotive emissions.
- (Exhibit I)

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

A. Automobile engines generally have little or no protection from wear at or just after start-up unless they have been treated with Slick 50.

B. Automobile engines commonly experience premature failure caused by wear unless they are treated with Slick 50.

C. Slick 50 coats engine parts with a layer of PTFE.

D. Slick 50 meets military specifications for aftermarket motor oil additives.

PAR. 6. In truth and in fact:

A. Automobile engines generally do not have little or no protection from wear at or just after start-up, regardless of whether they have been treated with Slick 50. Most automobile engines achieve adequate oil flow soon after start-up. Even prior to full oil flow, most automobile engines using the grade and weight of motor oil recommended in the owner's manual and changed at the recommended intervals are adequately protected against wear.

B. It is uncommon for automobile engines to experience premature failure caused by wear regardless of whether they are treated with Slick 50. Engine wear, including wear at or just after

start-up, is insufficient to cause engine failure within the life of most automobiles, when owners use the grade and weight of motor oil recommended in their owner's manual and change the oil at recommended intervals.

C. Slick 50 does not coat engine parts with a layer of PTFE.

D. Slick 50 does not meet military specifications for aftermarket motor oil additives.

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

PAR. 7. Through the use of the statements and visual depictions contained in the advertisements and promotional materials referred to in paragraph four, including, but not necessarily limited to, the advertisements and promotional materials attached as Exhibits A-I, respondents have represented, directly or by implication, that:

A. Compared to motor oil alone, Slick 50:

1. Reduces engine wear.
2. Reduces engine wear by more than 50%.
3. Reduces engine wear by up to 50%.
4. Reduces engine wear at start-up.
5. Extends the duration of engine life.
6. Lowers engine temperatures.
7. Reduces toxic emissions.
8. Increases gas mileage.
9. Increases horsepower.

B. One treatment of Slick 50 continues to reduce engine wear for 50,000 miles.

C. Slick 50 has been used in a significant number of U.S. Government vehicles.

PAR. 8. Through the use of the statements and visual depictions contained in the advertisements and promotional materials referred to in paragraph four, including, but not necessarily limited to, the advertisements and promotional materials attached as Exhibits A-I, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraphs five and seven, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 9. In truth and in fact, at the time they made the representations set forth in paragraphs five and seven, respondents did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representation set forth in paragraph eight was, and is, false and misleading.

PAR. 10. Through the use of the statements and visual depictions contained in the advertisements and promotional materials referred to in paragraph four, including, but not necessarily limited to, the advertisements and promotional materials attached as Exhibits A-I, respondents have represented, directly or by implication, that:

A. Tests prove that, compared to motor oil alone, Slick 50:

1. Reduces engine wear by more than 50%.
2. Reduces engine wear by up to 50%.
3. Reduces engine wear at start-up.

B. Tests prove that one treatment of Slick 50 continues to reduce engine wear for 50,000 miles.

PAR. 11. In truth and in fact:

A. Tests do not prove that, compared to motor oil alone, Slick 50:

1. Reduces engine wear by more than 50%.
2. Reduces engine wear by up to 50%.
3. Reduces engine wear at start-up.

B. Tests do not prove that one treatment of Slick 50 continues to reduce engine wear for 50,000 miles.

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

PAR. 12. 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

Video: Key starting the ignition followed by metal rod and metal rope grinding together.

Announcer: Every time you cold start your car without Slick 50 protection, metal grinds against metal in your engine.

Video: A key turning the ignition accompanied by sound of metal grinding.

Announcer: With each turn of the ignition you do unseen damage, because at cold start-up most of the oil is down in the pan.

Video: Shows a box of Slick 50, and then shows a bottle of Slick 50 being poured into a funnel.

Announcer: But Slick 50's unique chemistry bonds to engine parts. It reduces wear up to 50% for 50,000 miles.
[Super: Proven by Independent Lab Tests.]

Video: A large heavy ball is dropped down onto the car and demolishes it.

Announcer: So get Slick 50, while there's still time.

Video: Shows three different boxes of Slick 50 and then shows the demolished car.

Announcer: Slick 50's engine formula, the world's number one selling engine treatment.
[Super: Advanced Technology/Street Smart Science.]

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EXHIBIT B

Video: Family is in a cemetery watching a car
fall into a grave.
Announcer: There is nothing quite so tragic as an
untimely loss.
Video: A bottle of Slick 50 is poured into a
funnel.
Announcer: So protect the life of your car's engine
with Slick 50.
[Super: Advanced Technology/Street Smart
Science~~er~~]
The world's number one selling engine
treatment.

EXHIBIT C

11/14/93 11/24 PETROLON PERFORMANCE - 103 003 1-71 10.874 107

Paul, Harvey #2
:60 Radio
Approved, EM 3/17/93

PAUL HARVEY:

If you're one of the millions of Americans who believe in taking good care of your car, chances are you've heard about a product called Slick 50 Engine Formula. Slick 50 was developed to help reduce wear in automobile engines. Over the past few years, it's become something of a phenomenon.

Why? Because it works. It does just what it says it does. It reduces engine wear, especially during start-up. Experts say up to 80% of engine wear takes place at start-up. They explain it this way... when you first start your car, the oil is down in the oil pan. It's a good ten seconds before it starts working again. Ten seconds of harsh, metal-to-metal wear.

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EXHIBIT C

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11:05

PETROLEUM TECHNOLOGIES - 101 005 1171

10.876

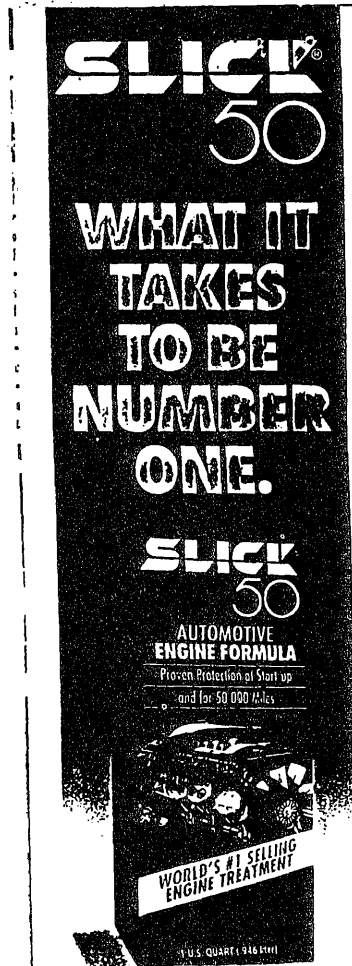
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Paul Harvey #2 - page 2

Slick 50 Engine Formula protects against that wear... by bonding the slipperiest stuff ever invented directly to those wear points. A special chemical package makes it happen... and nobody else has it.

So when you start your engine, Slick 50 is on the job even when your oil isn't. If you're serious about fighting wear, give your engine what it takes. Slick 50 Engine Formula.

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EXHIBIT D

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WHAT IT TAKES IS SLICK 50™ AUTOMOTIVE ENGINE FORMULA

It's easy to be number one when you're the only product in your category. But when you've got a market full of competitors, you earn your position every day. Fifteen years ago Slick 50 created the engine treatment category. Since then, store shelves have filled up with look-alikes and imitations. But none has yet been able to reproduce our unique chemistry - or the unique way it protects internal combustion engines. That's why Slick 50 Automotive Engine Formula is the standard against which all others are measured, and why, after fifteen years, it still the hottest-selling engine treatment in the world. More than 20 million cars in 67 countries are riding on the benefits of Slick 50.

Slick 50 Automotive Engine Formula is a technologically advanced automotive engine treatment that protects critical engine parts against wear... at start-up and through thousands of miles of punishing stop-and-go driving. Its unique and effective protection lasts through dozens of oil changes, for 50,000 miles. That's what it takes... and here's what it does.

- Reduces engine wear up to 50%
- Provides protection during crucial start-up period
- Protects during high-temperature, high-stress conditions
- Protection lasts for 50,000 miles
- Treats critical engine parts (Not an oil or an oil additive)
- Will not clog oil filters

UNIQUE SLICK 50 CHEMISTRY™ IS THE KEY

PTFE is the slipperiest solid substance ever invented. Lubrication engineers tell us that only wet ice sliding on wet ice has a lower coefficient

"Starting your engine is a terrible thing to do... When your engine is started cold, you have very little oil circulating and little or no oil on the metal parts of your engine. If you have Slick 50, what you have is a protective coating of PTFE bonded on there. So when you start your car cold, you don't get the wear that you normally would."

Bob Silversky
Automotive Engineer, Author
& Syndicated Columnist for the
New York Times

LUBRICATION AND TODAY'S ENGINES

Today's engines are marvels of modern engineering: they operate under tolerances, temperatures, pressures and conditions that yesterday's engines simply were not designed for. But there's a downside to this new technology. As operating conditions become more extreme, your motor oil can lose its ability to effectively lubricate the engine.

Add to this the problem of dirt, varnish and combustion by-products that build up on critical engine parts, and it becomes obvious that under many conditions, even modern motor oil formulations may not provide the anti-wear protection you need. Simply combining motor oil with a lubrication agent such as PTFE or potentially hazardous heavy metals is not the answer, either.

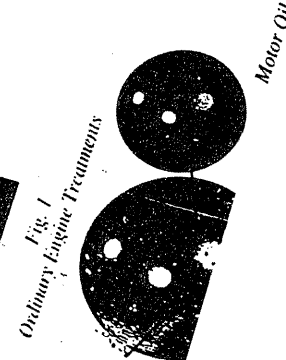


Fig. 1
Ordinary Engine Treatments

PTFE

STUCK 50 CHEMISTRY™

[illegible][illegible]

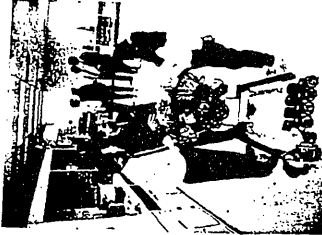
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EXHIBIT D

INDEPENDENT LABORATORY TESTS PROVE THAT Slick 50 Automotive Engine Formula actually reduces wear at start-up and during 50,000 miles of operation. The laboratories are nationally recognized facilities monitored by the American Society for Testing and Materials (ASTM).

MATERIALS TESTING is devoted to producing new and better products. Slick 50's brand new, well-



Slick 50's brand new, well-equipped laboratory in Houston, Texas.

is dedicated to the purpose of creating, developing and testing the next generation of Slick 50 products. The company is determined that each new product will earn the number one place in its own category.

Motor starts plus a big part in research and testing at No. 4 Slick 50 Productive Engine Cup, "Bowl of Grand National" and ABC Awards to the engine industry and their engine products. We conduct stringent tests for dynamometer test stands.

PROVING AND IMPROVING THROUGH TESTING AND RESEARCH

SLICK 50 ENGINE TREATMENTS aren't what they were 15 years ago. They're better. Since they were first developed, an ongoing program of testing and research has focused exclusively on two goals: to prove what Slick 50 products do and find ways to make them better.

SLICK 50 PRODUCTS CORPORATION has committed millions of dollars to a testing program that's far

more extensive than it has to be. To prove that our claims are reliable, the company employs independent testing laboratories as well as our own advanced automotive laboratory, plus top-rated, technology-oriented racing teams. Comprehensive road tests are also conducted in the harshest of real-world conditions, using taxi cab fleets and big rig heavy haulers around the world.



A Slick 50's brand new, well-equipped laboratory in Houston, Texas.



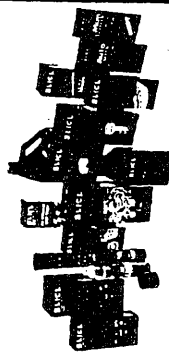
Slick 50 products undergo a stringent program of laboratory and field testing.

PROTECTION FOR 50,000 MILES

Slick 50 is proud to be the leader in the engine treatment category and with that leadership comes a responsibility that we take very seriously—to maintain the highest level of quality and performance in our products, and to stand behind those products with integrity. In you, we offer our guarantee that our products will work as advertised.

Slick 50 Automotive Engine Formula will not void engine manufacturers' warranties.

THE SLICK 50 FAMILY OF PRODUCTS



Automotive Engine Formula
 High Performance Engine Formula
 RV Engine Formula
 Big Rig Formula
 4 Cycle Marine Engine Formula
 2 Cycle Marine Engine Formula
 4 Cycle Motorcycle Formula

4 Cycle Small Engine Formula
 2 Cycle Small Engine Formula
 Lawn Tractor
 Auto Tractor
 One Tube
 One Grease

SLICK 50

SLICK 50 PRODUCTS CORPORATION

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EXHIBIT D

THE 50,000 MILE MARATHON

While some other products *claim* to protect for 50,000 miles, Slick 50 Automotive Engine Formula is the only product we know of that has actually been tested for 50,000 miles. Identical engines were used - half treated with Slick 50 Automotive Engine Formula and half lubricated only with a premium grade, multi-viscosity motor oil as recommended by the engine manufacturer.

The oil was changed every 3,000 miles in all engines; no additional engine treatment was added. After 50,000 miles, tests confirmed that Slick 50 protection stayed on the job through more than fifteen oil changes, long after the original treatment.

Both the treated and untreated engines were also tested for wear on the rod end bearings. On the engines treated with Slick 50

Chart 1

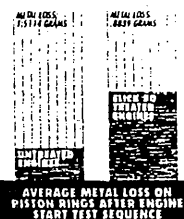
**41% LESS WEAR
ON ROD BEARINGS**METAL LOSS
6070 GRAMSMETAL LOSS
3473 GRAMS**AVERAGE METAL LOSS ON ROD
BEARINGS AFTER 50,000 MILES**

Automotive Engine Formula, the top half of the bearings - which takes most of the wear-inducing load - showed 41 percent less wear than bearings from the untreated engines! 41 percent less wear is an impressive figure by any standards - even our own.

START-UP TESTING: DON'T TRY THIS AT HOME

Slick 50 Automotive Engine Formula is best known for providing wear protection at start-up, and no claim has been tested more thoroughly or rigorously. As in other tests, identical V-6 engines were used - half treated with Slick 50 Automotive Engine Formula and half not. All engines were started, idled and then run for ten minutes at the equivalent of 50 mph. This was

Chart 2

**42% LESS WEAR
ON PISTON RINGS**

repeated 330 times. Then the oil and oil filter were changed and the engines were run another four hours at 70 mph to flush them out.

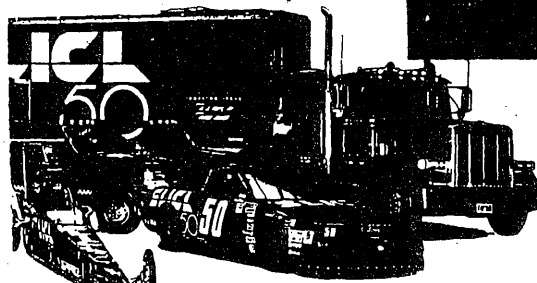
The oil was then drained from all engines and the oil filters removed. The engines were then started 500 times - with no oil in them at all! Remember, like the untreated engines, those treated with Slick 50 Automotive Engine Formula had been flushed out with motor oil before the dry-start tests were run.

After the engines had been dry started 500 times, the engines treated with Slick 50 Automotive Engine Formula showed a full 42 percent less wear on the piston rings!



The ongoing Slick 50 Product Test Program includes long distance drive under rigorous operating conditions.

ts Corporation. The company's involvement in racing ranges from NHRA, motorcycles and offshore powerboats. Aided by our own th on the track and in the shop, where engines are tested on



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EXHIBIT E

SLICK
50
ITEM
41301032
PROOF OF PURCHASE

DIRECTIONS

1. Drain oil and change oil filter.
2. Refill 3 1/2 quart capacity engines with manufacturer's recommended quality motor oil, then adding one quart of Slick 50® Automotive Engine Formula™ for one quart of oil. For higher capacity engines, use 70 percent Slick 50 Automotive Engine Formula with 30 percent oil. No need to shake product before use.
3. At manufacturer's recommended intervals, change oil and replace oil filter. Use a quality motor oil as recommended in owner's manual.
4. After initial treatment, you may treat your engine again with Slick 50 Automotive Engine Formula at any time.

COMPATIBLE WITH ALL MOTOR OILS
 Conventional Slick 50 Automotive Engine Formula is a SAE 10W-30 oil that is grade and meets API Service Classification SH/CD. Slick 50 Automotive Engine Formula will not void engine manufacturer's warranties.

FORMA DE APLICACION

1. Drene el aceite y cambie el filtro de aceite.
2. Añada el aceite nuevo de la calidad recomendada por el fabricante, poniendo además la cantidad recomendada de Slick 50 Automotive Engine Formula. La cantidad de Slick 50 Automotive Engine Formula a utilizar es:

Motor de 3 a 6 litros de aceite	1 1/2 qt. Slick 50 Automotive Engine Formula
Motors de mayor capacidad	70% Slick 50 Automotive Engine Formula 30% aceite normal

3. Cambie el aceite al motor y cambie el filtro de aceite.
4. Recarga Slick 50 Automotive Engine Formula cada 80,000 km para obtener los beneficios de protección y lubricación continuamente.

La formula que es de Slick 50 Automotive Engine Formula es compatible con cualquier tipo de aceite para motor, incluyendo los aceites sintéticos que sean compatibles con los aceites de petróleo.

ACEITE PORTADOR: SAE 10W-30
CLASIFICACION DE SERVICIO API: SH/CD

IN CASE OF REGISTRY: CALL 1 800 755 3572

PROTECT YOUR ENVIRONMENT

Please dispose of used motor oil in an EPA approved disposal or recycling facility.

For information, write Slick 50 Products Corporation, P.O. Box 802347, Houston, TX 77280-2347.

Made In The U.S.A.

SLICK 50 PRODUCTS CORPORATION

Slick 50 is a registered trademark of Pavilion Management, Inc. and is licensed to Slick 50 Products Corporation. © 1992 Slick 50 Products Corporation



\$3.00 off the purchase price of Slick 50® Automotive Engine Formula™

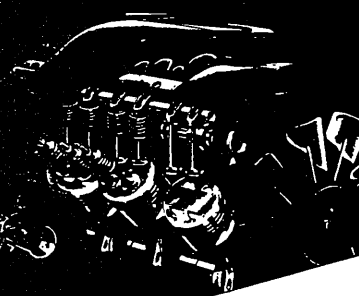
See inside for details. Offer expires March 31, 1995



SLICK® 50

AUTOMOTIVE ENGINE FORMULA™

Proven Protection at Start-up and for 50,000 Miles



\$3.00 REBATE

\$3.00 OFF THE PRICE OF THE WORLD'S #1 SELLING ENGINE TREATMENT

1 U.S. QUART (.946 liter)

EXHIBIT E

\$3.00 MAIL-IN REBATE ON SLICK 50[®] AUTOMOTIVE ENGINE FORMULA[™]

Purchase 1 quart of Slick 50 Automotive Engine Formula and receive \$3.00 by mail. To receive a check for your request you must include the following:

1. This original rebate certificate
2. Dated original receipt with Slick 50 Automotive Engine Formula showing the retail price and purchase date circled. Valid only on purchases made between August 15, 1994 and March 31, 1995.
3. Proof of purchase from the inside flap of the Slick 50 Automotive Engine Formula box for which you are requesting a rebate.

PROTECTS AT START-UP AND DURING OPERATION

Up to 85 percent of all engine wear occurs during start-up, when "dryly" the oil in the cylinder is burned into the cylinder. Slick 50 Automotive Engine Formula lubricates and protects the engine during this critical period.

PROVEN PROTECTION

■ **At Start-Up:** Slick 50 Automotive Engine Formula's test program for providing wear protection at start-up is a fully controlled sequence of start-stop tests conducted by a computerized test procedure in a laboratory. Engines treated with Slick 50 showed a full 47 percent less wear on the piston rings than untreated engines. (See Chart 1)

■ **For 50,000 Miles:** In a more realistic test of wear, all the latest model and older engines in the U.S. treated and untreated engines were operated for the equivalent of 50,000 miles. Then the rod end bearings were removed for wear. On the engines treated with Slick 50, the top half of the bearings, which takes most of the wear during load, showed 41 percent less wear than bearings from the untreated engines. (See Chart 2)

Charts for Slick 50 Automotive Engine Formula are used all through their and other independent laboratory tests conducted at nationally recognized facilities recognized by the American Society for Testing and Materials (ASTM). Slick 50 products are guaranteed to perform as advertised when used as directed.

BENEFITS SHOWN IN INDEPENDENT TEST PROGRAMS

- Reduces engine wear up to 50%
- Provides protection at start-up
- Protects in high temperature, high-stress conditions
- Protects for 50,000 miles
- Will not clog oil filter

INITIATE SLICK 50 CHEMISTRY[™]

FEATURES	BENEFITS
Premium multi-viscosity carrier oil	Supports a wide variety of engine oils, temperatures and driving conditions.
Specially sized, electron beam activated PTFE particles	Maximizes bonding with the metal. Ensures that the PTFE goes where it's supposed to and stays there.
Colloidal suspension chemistry	Ensures that the PTFE will not settle out in the oil pan, and prevents slumping. No shaking necessary. Just pour it in and you're ready to go.
Surface preparation chemistry	Maximizes the efficiency of the bonding process.
Process support chemistry	Promotes and facilitates interaction between PTFE and metal. Ensures the protection will last for 50,000 miles.

Automotive Engine Formula[™] 41301032 0693

Synthetic Engine Formula[™]
High Performance Engine Formula[™]
Fuel System Formula[™]
Synthetic Motor Oil
4-Cycle Marine Engine Formula[™]
2-Cycle Marine Engine Formula[™]
4-Cycle Motorcycle Formula[™]
2-Cycle Small Engine Formula[™]
Power Steering Formula[™]
Main Frame[™] Oil Mist
Auto Lube[™] One Grease[™]
One Lube[™] One Lube Formula[™]

40% LESS WEAR ON PISTON RINGS

41% LESS WEAR ON TOP ROD BEARINGS

THE SLICK 50 FAMILY OF PRODUCTS

Complaint

124 F.T.C.

EXHIBIT F

SLICK 50
ITEM
 41301032
 PROOF OF PURCHASE

THE ORIGINAL ENGINE TREATMENT. STILL THE BEST.

Since Slick 50 was first developed more than 15 years ago, it has been tested more than any other engine treatment. It's been proven to work. Our technology is continually being studied by a joint team of scientists from Slick 50 and Du Pont to ensure the BEST use of Teflon PTFE in engine treatments. We invite you to ask your mechanic, a friend or one of the more than 20 million satisfied customers who continue to use Slick 50. Or write to us for a copy of the official test results and procedures. Also refer to:

Society of Automotive Engineers American Society of Testing Materials
 SAE Report #941983 ASTM Test #D4485

Our address: Slick 50 Products Corporation, P.O. Box 802347,
 Houston, TX 77280-2347 or call 1-800-547-5425.

We guarantee that Slick 50 Advanced Formula Engine Treatment will provide added protection against friction and wear as claimed by Slick 50 Products Corporation. If for any reason you are not satisfied with the performance of Slick 50, we will refund the full purchase price.

API CERTIFIED
A fully formulated SH-CF 1 quality oil containing Slick 50 has been licensed by the American Petroleum Institute (API). No other engine treatment has this API certification.

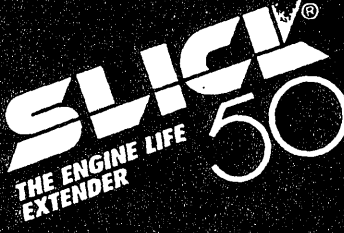
Compatible with all Motor Oils.
Will not void manufacturers' warranties.
Will not clog oil filter.
Works in Gasoline or Diesel Engines.

Directions:
 At your next oil change, add one quart of Slick 50 Advanced Formula Engine Treatment for one quart of engine oil. If the engine's oil capacity is more than 6 quarts, use 20 percent Slick 50 Advanced Formula Engine Treatment with 80 percent oil.

Instrucciones:
 En el próximo cambio de aceite, añada un cuarto de Slick 50 Advanced Formula Engine Treatment por un cuarto de aceite. Si el motor usa más de 6 cuartos de aceite, use el 20 por ciento de Slick 50 Advanced Formula Engine Treatment con el 80 por ciento de aceite.

Slick 50 Advanced Formula Engine Treatment usa un aceite certificado de SAE 10W/30 Classification de Servicio SH/CD. El producto no cancela la garantía de manufactura.

PROTECT YOUR ENVIRONMENT
 Please dispose of used motor oil at an EPA approved disposal or recycling facility. **Made In The U.S.A.**





ADVANCED FORMULA ENGINE TREATMENT™
Extends Engine Life
 with Slick 50 Technology
 and Du Pont Teflon PTFE



Reduces friction, heat & wear

#1 The best engine treatment
 (See test results on back)

1 U.S. QUART (.946 liter)

EXHIBIT F

WHY SLICK 50® IS BETTER

PROTECTS BETTER THAN ORDINARY MOTOR OIL

When you turn off your engine, virtually all your motor oil drains down into the pan, leaving critical parts unprotected. After a few hours, when you turn the key and drive, metal grinds against metal. This is often up to 80 percent of all engine wear occurs. **THERE'S ONE SOLUTION.** Slick 50's unique formula with Du Pont Teflon PTFE resins is proven to bond to vital engine parts, protecting them better than ordinary motor oil.



TREATS THE ENGINE, NOT THE OIL

Using Du Pont Teflon in our own Engine

Strength formula, Slick 50 bonds on anti-wear surface to your engine that won't drain away with your oil. Other engine treatment products may contain Teflon, but they haven't proven that they can protect and work for 50,000 miles. **IF IT DOESN'T BOND LIKE SLICK 50, IT DOESN'T WORK LIKE SLICK 50.**



REDUCES DAMAGING FRICTION AND HEAT

By treating an anti-wear surface inside your engine, Slick 50 reduces friction and wear. Less friction means less heat in the critical parts of your engine.



MAKES ENGINES LAST LONGER

Less heat and wear on critical parts means better long term performance and cooler running. This lowers your risk of costly engine repairs, rebuilds, and expensive breakdowns.

ONLY SLICK 50 HAS PASSED ALL FOUR OF THESE CRITICAL ENGINE TESTS:

INDUSTRY RECOGNIZED TESTING			
TEST	SLICK 50	DURA-LUBE	STP
Wear	Pass	Fail	Fail
Friction	Pass	Fail	Fail
Cold Start	Pass	Fail	Fail
50,000 Mile	Pass	Fail	Fail

THEY HAVE NEVER TESTED!

PROVEN THE BEST.

WEAR REDUCTION TEST

Industry Recognized Ball-On-Cylinder Test

- SLICK 50
Actually reduces wear

PREMIUM MOTOR OIL
DURA-LUBE
STP
T-PLUS

In industry recognized tests against premium motor oil and other engine treatments, Slick 50 tested **BEST** at reducing both friction and metal wear together.

50,000 MILE ENGINE WEAR TEST

Total Metal Loss on Top Rod Bearings

- SLICK 50
Total Metal Loss:
3613 Grams

PREMIUM MOTOR OIL
Total Metal Loss: 6090 Grams

41% LESS WEAR ON TOP ROD BEARINGS

Industry recognized lab tests in real engines, under real operating conditions, prove Slick 50 significantly reduces wear for 50,000 miles. Slick 50 is the only engine treatment to have tested, passed and published the results of these stringent tests.

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SLICK 50 PRODUCTS CORPORATION

Slick 50 is a registered trademark of Slick 50 International, Inc. © 1995 Slick 50 Products Corporation. 1995 Slick 50 Products Corporation. All rights reserved.

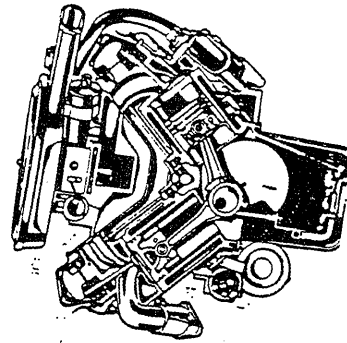
Complaint

EXHIBIT G

124 F.T.C.



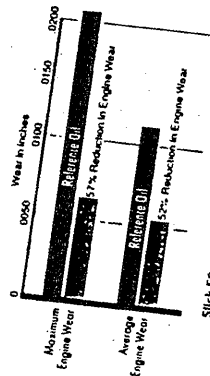
**WHY STARTING
YOUR ENGINE
IS A TERRIBLE
THING TO DO**



TEST RESULTS CONFIRM
REDUCTION

50%

WEAR REDUCTION



Slick 50 reduced wear by over 50%

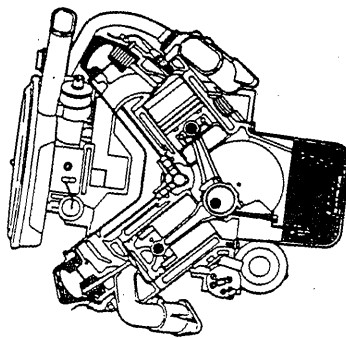
Slick 50 Engine Test Results

In its monitoring maximum and average wear on engine parts conducted by an EPA registered independent laboratory using ASTM procedures showed Slick 50 Engine Treatment dramatically reduced engine wear up to 57% in maximum wear areas and 57% on average when compared to standard wear on engine parts using known ASTM reference.

to date:

Count on Slick 50 to:

- Reduce engine wear at start-up.
- Lower engine temperature by reducing friction.
- Improve horsepower.
- Increase gas mileage.
- Reduce toxic emissions.



Your Petrolon Guarantee:

All Petrolon products are guaranteed to perform as stated when used as directed by manufacturer.

Military specifications are MIL-L-2104-C MIL-L-46152-A.

SLICK 50

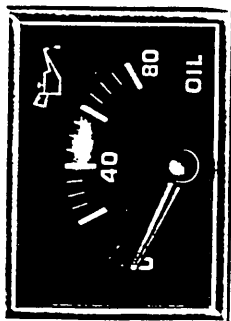
Slick 50 is a product of
Petrolon, Inc.
Corporate Office:
Petrolon, Inc.
1187 Britton Road
Houston, TX 77063

*Assemble
9/91
in Houston*

568

Complaint

EXHIBIT G



At start-up, there's no oil in your engine, so exposed parts grind together.

At start-up, your oil's in the pan, not in the engine

In fact, 70% to 80% of all mechanical engine wear happens in those critical seconds after you turn the key

! It's because as soon as your car's shut down, gravity begins pulling oil back into the pan. And with any additives it contains. And after four hours, no protective coating remains to lubricate your engine.

As a result, exposed mechanical engine parts grind together at start-up until oil can begin circulating again. And in those first critical seconds, permanent damage occurs.

Slick 50. Protective treatment for one of life's biggest investments

For most families, buying a new car is a major expense. Plus, modern engines rev higher, run hotter and have closer tolerances than ever. So keeping them performing the way the manufacturer intended is more difficult and more costly than ever.

But not when you treat your car with Slick 50. Within 30 minutes, it begins to bond with metal parts treating a tough super slippery coating. One that can reduce engine wear for over 50,000 miles. Slick 50—the "ONE QUART, ONE TIME" engine treatment treats the engine... not the oil.

Slick 50 is easy to use

The next time you change your oil and filter, simply substitute one bottle of Slick 50 for the last quart of oil.

That's all there is to it. Unlike additives, Slick 50 does not have to be added every time you change

oil. Run cool even when the outside temperature's hot. Summer driving imposes extra strain on your car's engine. Temperatures are higher, so stop and go conditions take a greater toll. Vacation trips are longer. And pulling trailers and boats also add extra engine strain.

But because Slick 50 helps insulate engine parts from rubbing, there's less friction. As a result, your car runs cooler with far less danger of overheating.

Over a billion miles of proof

So far Slick 50 has been successfully used in more than 15 million cars driven thousands of miles each.

It's performed in U.S. Government vehicles. It's been used by police departments. By commercial fleet owners. And by race car drivers. And tests by an EPA-recognized independent laboratory show it can protect your car against engine wear, too.

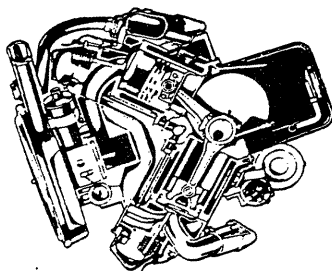
Slick 50 treats the engine... not the oil.

Slick 50 contains PTFE, the world's most slippery solid substance and the one with the greatest resistance to wear. PTFE also doesn't rust or corrode. It's immune to acids and alkalines. And the more pressure it's under, the more slippery it becomes.

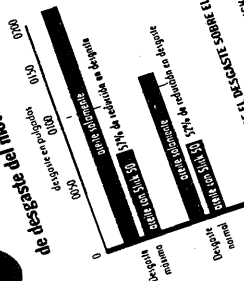


"ONE QUART, ONE TIME" protects and lubricates for more than 50,000 miles.

1-800-345-5050

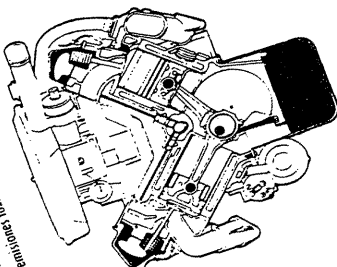


50%
accresce del 50% i
prezzi

[illegible]

o distribuidor de Slick 50 es:

ML-1-6152-A
1 con experimentaciones militares, con miras a
abrirlo si se siguen para fortalecer la

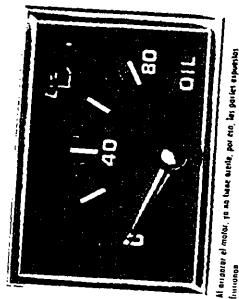


- Per tutti le sensazioni di libertà
- Per la sicurezza e la confortevolezza
- Per la spaziosità e la luminosità
- Per la praticità e la versatilità
- Per la bellezza e la raffinatezza

Su garantía de perdón: los productores de perdon están garantizados del 1-800-444-1044.

NOTES

EXHIBIT H



El manómetro de motor, ya no hace ruido, por eso, los gases escapes.

Al arrancar, el aceite se encuentra en la bandeja y no en el motor

La verdad es que el 70 a 80% del desgaste mecánico del motor ocurre en estos segundos críticos cuando Ud. arranca el motor.

Esto pasa porque al apagar el coche, la gravedad empieza a jalar el aceite del motor hacia la bandeja junto con los aditivos que contiene. Y después de 4 horas, la capa protectora no se queda para lubricar el motor.

A consecuencia de esto, las partes mecánicas del motor expuestas friccionan al momento del arranque hasta que el aceite vuelve a circular. Y es en estos primeros momentos críticos cuando ocurre el daño permanente.

Slick 50. Un tratamiento protector de una de las inversiones más grandes de su vida

Para la familia, la compra de un auto nuevo es un gasto mayor. Además, los motores modernos dan más revoluciones por segundo que antes, funcionan con temperaturas más elevadas, y tienen un nivel de tolerancia más bajo que nunca. Así que es un más difícil y más caro garantizar el rendimiento como debería ser.

Pero no es así cuando cuida su motor con Slick 50. En menos de 30 minutos, Slick 50 empieza a adherirse con las partes metálicas formando una capa super lubricante, una capa que puede reducir el desgaste de su motor por más de 50,000 millas. Slick 50 - "un cuarto, sólo una vez." Un tratamiento para el motor... no para el aceite.

Slick 50 es fácil de usar

La próxima vez que Ud. haga su cambio de aceite

y de filtro, simplemente sustituya el último cuarto de aceite por un bote de Slick 50.

Eso es todo lo que necesita. Slick 50, no como los aditivos, no se tiene que agregar en cada cambio de aceite. Funciona a bajo temperatura aun cuando hace mucho calor.

Maneje sin problemas aun cuando hace mucho calor

Manejar en el verano hace que el motor se esfuerce más. Y como hace mucho calor, las paradas continuas desgastan el motor. Los viajes de vacaciones son largos y jalando remolques y barcos también traen un gran desgaste.

Pero como Slick 50 ayuda a aislar las partes del motor y prevenir el roce, hay menos fricción. Por eso, el coche trabaja a temperatura más baja y con menos riesgo de calentarse.

Más de 11 millones de millas de protección.

Hasta ahora Slick 50 ha

Slick 50 - Un tratamiento para el motor... no para el aceite.

Slick 50 contiene PHE, la solución química que tribolubrica en el motor. Y lo trata con la mejor protección al desgaste. PHE no se oxida, se resaca y protege todos los aceites y aditivos. El aceite, por sí mismo, luego que se usa, se vuelve a oxidar.



Un cuarto, sólo una vez. Protege por más de 50,000 millas.

haciendo éxito en su uso en más de 15 millones de autos manejados durante de miles de millas.

Slick 50 ha sido usado en vehículos del gobierno de los E.E.U.U., vehículos de la policía, en los vehículos de las compañías de trans-

porte y en los carreos automovilísticos. Y prueben por un laboratorio independiente reconocido por la Agencia de Protección del Medioambiente (EPA) muestran que Slick 50 puede proteger también su carro del desgaste.

EXHIBIT I

Product Benefits

Slick 50 Automotive Engine Formula significantly reduces wear on critical engine parts:

- Protects the engine at start-up, when substantial engine wear occurs.
- Reduces wear on engine parts operating under conditions of boundary lubrication (that is, making metal-to-metal contact), including the first and second piston rings.
- Reduces engine wear by up to 50 percent for 50,000 miles.
- Long term, by reducing engine wear, Slick 50 Automotive Engine Formula can contribute to lower

maintenance and repair costs and to extended engine life. By reducing ring wear, it also has the potential to reduce automotive emissions.

Exhibit I

DECISION AND ORDER

The Federal Trade Commission having issued its complaint charging the predecessor corporations of the respondents named in the caption hereof with violation of Section 5(a) of the Federal Trade Commission Act, as amended, and the respondents' predecessors having been served with a copy of that complaint, together with a notice of contemplated relief; and

The respondents, their attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents of facts, other than jurisdictional facts, or of violations of law as alleged in the complaint issued by the Commission.

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

The Commission having considered the matter and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 3.25(f) of its Rules, the Commission hereby makes the following jurisdictional findings and enters the following order:

1. Respondent Blue Coral, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 1215 Valley Belt Road, Cleveland, Ohio.

2. Blue Coral-Slick 50, Inc. is a wholly-owned subsidiary of Blue Coral, Inc., organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 225 E. John Carpenter Freeway, Irving, Texas.

3. Blue Coral, Inc. is the general partner in Blue Coral-Slick 50, Ltd., a limited partnership, with its principal office located at 1385 West 2200 South, Salt Lake City, Utah. Its certificate of limited partnership is filed with the State of Ohio.

4. Blue Coral, Inc., Blue Coral-Slick 50, Inc., and Blue Coral-Slick 50, Ltd. are successors-in-interest to the four corporations named as respondents in the Federal Trade Commission's complaint

against Quaker State - Slick 50, Inc., Slick 50 Management, Inc., Slick 50 Products Corp., and Slick 50 Corp.

5. 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

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

"Slick 50" shall mean the aftermarket motor oil additive known as Slick 50 Automotive Engine Formula, Slick 50 Advanced Formula Engine Treatment, or any Slick 50 trademarked product of substantially similar composition.

"Motor oil product" shall mean a product for use in conjunction with or in place of fully formulated motor oil.

"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.

I.

It is ordered, That respondents Blue Coral, Inc. and Blue Coral-Slick 50, Inc., corporations, and Blue Coral-Slick 50, Ltd., a limited partnership, their successors and assigns, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, advertising, labeling, packaging, offering for sale, sale, or distribution of Slick 50, or any substantially similar motor oil product containing polytetrafluoroethylene (hereinafter "PTFE"), 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. Automobile engines generally have little or no protection from wear at or just after start-up unless they have been treated with such product;

B. Automobile engines commonly experience premature failure caused by wear unless they are treated with such product; or

C. Such product coats engine parts with a layer of PTFE; provided however, that this provision shall not prohibit any claim that relates to chemical or physical reactions between Slick 50 and metal surfaces of engine parts that is substantiated by competent and reliable scientific evidence.

II.

It is further ordered, That respondents Blue Coral, Inc. and Blue Coral-Slick 50, Inc., corporations, and Blue Coral-Slick 50, Ltd., a limited partnership, their successors and assigns, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, advertising, labeling, packaging, offering for sale, sale, or distribution of Slick 50, any other engine lubricating product used in a motor vehicle and sold under the Slick 50 trademark, or any engine treatment or oil additive, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Misrepresenting, in any manner, directly or by implication:

1. That such product meets military specifications or the requirements, standards, or specifications of any other governmental or private organization; or

2. The existence, contents, validity, results, conclusions, or interpretations of any test or study.

B. Making any representation, in any manner, directly or by implication:

1. That, compared to motor oil alone, such product:

- a) Reduces engine wear;
- b) Reduces engine wear by more than 50%, by up to 50%, or by any other specific quantity;
- c) Reduces engine wear at start-up;
- d) Extends the duration of engine life; or
- e) Lowers engine temperatures, reduces toxic emissions, increases gas mileage, or increases horsepower;

2. That one or any other number of treatments of such product reduces engine wear for 50,000 or any other number of miles;
3. That such product has been used in a significant number or any other number of U.S. Government vehicles; or
4. Regarding the performance, benefits, efficacy, attributes or use of such 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 the representation.

III.

It is further ordered, That respondents Blue Coral, Inc. and Blue Coral-Slick 50, Inc., corporations, and Blue Coral-Slick 50, Ltd., a limited partnership, their successors and assigns, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division or other device, in connection with the manufacturing, advertising, labeling, packaging, offering for sale, sale, or distribution of any lubricating product used in a motor vehicle and sold under the Slick 50 trademark, other than any engine lubricating product, including but not limited to any fuel treatment, transmission fluid, or brake fluid, in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from making any representation, in any manner, directly or by implication, that such product:

- A. Reduces wear on any motor vehicle part;
- B. Extends the duration of any motor vehicle part's life;
- C. Lowers engine temperatures;
- D. Reduces toxic emissions;
- E. Increases gas mileage; or
- F. Increases horsepower,

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 the representation.

IV.

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

A. All labeling, packaging, advertisements and promotional materials setting forth any representation covered by this order;

B. All materials that were relied upon to substantiate any representation covered by this order; and

C. All tests, reports, studies, surveys, demonstrations or other evidence in their possession or control, or of which they have knowledge, that contradict, qualify, or call into question such representation or the basis upon which respondents relied for such representation, including complaints from consumers or governmental entities.

V.

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

VI.

It is further ordered, That respondents, their successors and assigns, shall forthwith distribute a copy of this order to each of their operating divisions and to each of their officers, agents, representatives, or employees engaged in the preparation and placement of advertisements, promotional materials, product labels or other such sales materials covered by this order, and shall obtain from each such person or entity a signed statement acknowledging receipt of the order.

VII.

It is further ordered, That respondents, their successors and assigns, shall:

A. Within thirty (30) days after the date of service of this order, send by first class certified mail, return receipt requested, to each purchaser for resale of Slick 50 with which respondents have done business since January 1, 1993, notice of this order in the form attached as Attachment A. The mailing shall not include any other documents; and

B. In the event that respondents receive any information that subsequent to its receipt of notice of this order any purchaser for resale is using or disseminating any advertisement or promotional material specified in Attachment A, respondents shall: (1) immediately send such purchaser for resale a letter requesting that it stop using or disseminating any item specified in Attachment A and notifying it that the respondents will report its use or dissemination of any item specified in Attachment A to the Commission; and (2) within thirty (30) days notify the Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, in writing, of such purchaser for resale's identity and its use or dissemination of any item specified in Attachment A.

VIII.

It is further ordered, That respondents, their successors and assigns, shall, for five (5) years after the last correspondence to which they pertain, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. Copies of all signed statements obtained from persons or entities pursuant to part VI of this order;

B. Copies of all notification letters sent to purchasers for resale pursuant to subparagraph A of part VII of this order; and

C. Copies of documents sufficient to show any redress made available to consumers pursuant to any class action lawsuit pending against respondents or any of their affiliates, which challenges conduct similar to that challenged by the Commission in this proceeding.

IX.

It is further ordered, That respondents, their successors and assigns, shall provide notification of all proposed class action settlement terms relating to any class action lawsuits pending against respondents or any of their affiliates, which challenges conduct similar to that challenged by the Commission in this proceeding, to the Associate Director for Enforcement, Bureau of Consumer Protection, Federal Trade Commission, in writing, at least ten (10) days before any such proposed settlement is submitted to a court for final approval.

X.

It is further ordered, That this order will terminate on December 9, 2017, or twenty 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 paragraph in this order that terminates in less than twenty 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 paragraph.

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 paragraph 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.

XI.

It is further ordered, That respondents, their successors and assigns, shall, within sixty (60) days after 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 or intend to comply

with this order; and, every ninety (90) days after final court approval of any settlement of a class action lawsuit which challenges conduct similar to that challenged by the Commission in this proceeding, file with the Commission a report, in writing, disclosing the amount of consumer redress made available by the respondents pursuant to such settlement, until such time as the respondents have satisfied their obligation to make available redress pursuant to any such settlement.

Commissioner Anthony not participating.

ATTACHMENT A

BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED

[To be printed on respondents' letterhead]

[date]

Dear [purchaser for resale]:

As you may be aware, on July 12, 1996, the Federal Trade Commission ("FTC") issued a complaint against Quaker State - Slick 50, Inc., Slick 50 Management, Inc., Slick 50 Products Corp., and Slick 50 Corp.

In its complaint, the FTC alleged that advertisements for Slick 50 Engine Treatment ("Slick 50") have made false and unsubstantiated claims that: (1) Automobile engines generally have little or no protection from wear at or just after start-up unless they have been treated with Slick 50; (2) Automobile engines commonly experience premature failure caused by wear unless they are treated with Slick 50; (3) Slick 50 coats engine parts with a layer of PTFE; and (4) Slick 50 meets military specifications for aftermarket motor oil additives.

The FTC also alleged that advertisements for Slick 50 have made unsubstantiated claims that, compared to motor oil alone, Slick 50: (1) Reduces engine wear; (2) Reduces engine wear by more than 50%; (3) Reduces engine wear by up to 50%; (4) Reduces engine wear at start-up; (5) Extends the duration of engine life; (6) Lowers engine temperatures; (7) Reduces toxic emissions; (8) Increases gas mileage; and (9) Increases horsepower. In addition, the FTC alleged that Slick 50 advertisements made unsubstantiated claims that: (1) One treatment of Slick 50 continues to reduce engine wear for 50,000 miles; and (2) Slick 50 has been used in a significant number of U.S. Government vehicles.

Finally, the FTC alleged that Slick 50 advertisements falsely claimed that tests prove that, compared to motor oil alone, Slick 50: (1) Reduces engine wear by more than 50%; (2) Reduces engine wear by up to 50%; and (3) Reduces engine wear at start-up; and that tests prove that one treatment of Slick 50 continues to reduce engine wear for 50,000 miles.

On December 9, 1997, the FTC issued a consent order to cease and desist which prohibits certain claims for Slick 50. We consented to the issuance of the order for settlement purposes only and without admitting any of the FTC's allegations that we violated the law. The order requires us to request that our distributors and wholesalers stop using or distributing advertisements or promotional materials containing claims challenged by the FTC. As one of our distributors or wholesalers, we are required to send [purchaser for resale] this letter.

Specifically, the FTC order prohibits us in the future from making claims that (1) Automobile engines generally have little or no protection from wear at or just after start-up unless they have been treated with Slick 50; (2) Automobile engines commonly experience premature failure caused by wear unless they are treated with Slick 50; and (3) Slick 50 coats engine parts with a layer of PTFE. The order also requires that we have a reasonable basis for any performance claims we make for Slick 50 Engine Treatment or other engine lubricating product sold under the Slick 50 trademark, as well as any engine treatment or oil additive. In addition, it requires that we have a reasonable basis for certain specific claims we make for other lubricating products sold under the Slick 50 trademark.

We request your assistance by asking you to discontinue using, distributing, or relying on any of your advertising or promotional material for Slick 50 Engine Treatment received from us prior to July 1, 1997. Please also notify any of your customers who resell these products and who may have such materials to discontinue using those promotional materials. If we receive information that you are continuing to use those materials, we are required to notify the FTC of your failure to comply with this request.

Under separate cover, we will be sending you replacement promotional material that you will be able to use.

Thank you very much for your assistance.

Sincerely,

[name]

President

[respondents]

Modifying Order

124 F.T.C.

IN THE MATTER OF

COOPER INDUSTRIES, 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-3469. Consent Order, Oct. 26, 1993--Modifying Order, Dec. 15, 1997*

This order reopens a 1993 consent order -- that required the respondent to divest certain assets and to license certain technology for manufacturing industrial fuses -- and this order modifies the consent order by setting aside provisions of the consent order which required Cooper to license and divest low-voltage industrial fuse technology that it gained in its acquisition of Brush Fuses, Inc.; and by substituting a provision requiring prior Commission approval of certain acquisitions with a provision requiring prior notification.

ORDER REOPENING AND MODIFYING ORDER

I. THE COMPLAINT AND ORDER

On August 15, 1997, Cooper Industries, Inc. ("Cooper"), the respondent named in the above-referenced consent order ("order") issued by the Commission on October 26, 1993, filed its Petition to Reopen and Vacate Consent Order ("Petition"). Cooper asks that the Commission reopen and vacate the order pursuant to Section 5(b) of the Federal Trade Commission Act ("FTC" Act), 15 U.S.C. 45(b), and Section 2.51 of the Commission's Rules of Practice and Procedure, 16 CFR 2.51, based on changed facts and the public interest and consistent with the Statement of Federal Trade Commission Policy Concerning Prior Approval And Prior Notice Provisions, issued on June 21, 1995 ("Prior Approval Policy Statement").¹ The thirty-day public comment period on Cooper's Petition ended on September 15, 1997. No comments were received.

The Commission has determined to grant, in part, Cooper's Petition by reopening the order and modifying it to set aside the requirements of paragraph II through VII, but to deny the request to vacate the order. Rather, the Commission has determined to substitute for the prior approval requirement of paragraph VIII the prior notification and waiting period requirements of Section 7A of the Clayton Act, 15 U.S.C. 18a, commonly referred to as the Hart-Scott-Rodino ("HSR") Act, for all non-HSR reportable

¹ 60 Fed. Reg. 39745-47 (Aug. 3, 1995); 4 Trade Reg. Rep. (CCH) ¶ 13,241.