

IN THE MATTER OF

CASTROL NORTH AMERICA INC.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3910. Complaint, Dec. 13, 1999--Decision, Dec. 13, 1999*

This consent order, among other things, prohibits Castrol North America Inc., a New Jersey-based advertiser and distributor of motor vehicle additive products and fuel system treatments, from making any representation regarding the performance, benefits, efficacy, attributes, superiority or use of such products, unless the respondent possesses and relies upon competent and reliable scientific evidence that substantiates the representation.

Participants

For the Commission: *Michael Dershowitz, Sydney Knight, Joel Winston, C. Lee Peeler, Lisa Daniel and Susan Braman.*

For the respondent: *Lewis Clayton, Paul, Weiss, Rifkind, Wharton & Garrison, New York, N.Y.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Castrol North America 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 Castrol North America Inc. is a Delaware corporation with its principal office or place of business at 1500 Valley Road, Wayne, New Jersey.

2. Respondent has manufactured, advertised, labeled, offered for sale, sold, and distributed motor vehicle additive products to the public, including Castrol Syntec Power System, a fuel system treatment designed to be poured into an automobile's gas tank every 3,000 miles.

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 have caused to be disseminated advertisements for Castrol Syntec Power System, including but not necessarily limited to the attached Exhibits A through C. These advertisements contain the following statements and depictions:

A. [Video: Depiction of a passenger car passing a light truck on a two-lane roadway. As the passenger car temporarily crosses over into the on-coming traffic lane to complete the passing maneuver, a tractor-trailer, with horns blowing, is shown a short distance away and moving quickly towards the passenger car. The passenger car accelerates and completes the passing maneuver just barely avoiding a head-on collision with the tractor-trailer.]

[Video: Depiction of a passenger car crossing a four-way intersection as a large bus also enters the intersection with horns blowing. The acceleration of the passenger car allows the car to cross the intersection a fraction of a second before it would have been involved in a collision with the bus that was entering the intersection to the right side of the car.]

Announcer: Now there's a fuel system treatment from Castrol that can improve acceleration when you need it most.

[Superscript: Applies only to vehicles with knock sensors.]

[Video: Depiction of a passenger car merging into highway traffic. The acceleration of the passenger car allows the car to successfully merge between two cars with enough speed to barely avoid an accident with the second car.]

Announcer: Introducing Castrol Syntec Power System with unique synthetic cleansers that reduce carbon deposits and can improve acceleration in today's advanced cars.
You never know when you'll need it next.

[Video: Graphical depiction of two cars traveling across the screen with one vehicle representing the Castrol Syntec Power System. The vehicle representing the Castrol Syntec Power System is shown advancing ahead of the other vehicle.]

Announcer: Castrol Syntec Power System.

Power when you need it.

Video Tagline: **POWER WHEN YOU NEED IT**

[Exhibit A: Television Advertisement]

B. You start to pass the car in front of you and this is what you see.

(Now's a good time to talk about the benefits of Castrol Syntec Power System.)

[Photograph: Depiction of a tractor-trailer truck with glaring headlights appearing to present a dangerous situation for the driver attempting to pass another vehicle where quick acceleration would be necessary to avoid a head-on collision with the tractor-trailer truck.]

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Introducing a new kind of fuel system treatment that can improve your acceleration. We've all experienced it before. That moment of truth when you realize you need all the acceleration you've got. Well rather than just stepping on the accelerator and praying, now there's a better option. Introducing Castrol Syntec Power System - an entirely new kind of fuel system treatment. Power System's unique synthetic cleansers reduce carbon deposits and can improve acceleration in today's advanced cars. Just one dose in your fuel tank begins restoring power almost immediately. So try new Castrol Syntec Power System. After all, you might not think you need the added power and acceleration. But do you really want to wait to find out?
POWER WHEN YOU NEED IT.

Footnote: Applies only to vehicles with knock sensors.

[Exhibit B: Magazine Advertisement]

C. * * * *

Have you noticed that your car or truck doesn't have the pickup that it used to?

The Problem

Every time you drive, unburned gasoline decomposes in your fuel system leaving behind damaging carbon deposits. As deposits build up, today's high technology knock sensed engines actually de-tune themselves. This can result in hesitation, sluggishness, stalling and overall poor acceleration.

The Solution

Castrol SYNTEC POWER SYSTEM, the only fuel system treatment formulated with Syntec Molecular Components. These Unique Synthetic Cleansers are so powerful they remove deposits from your entire fuel system, and neutralize power robbing effects of combustion chamber deposits. In fact, Castrol SYNTEC POWER SYSTEM is far more powerful than ordinary fuel treatments, and is proven to reverse "engine de-tune" and improve acceleration in today's high technology engines.

[Depiction of a vehicle fuel system]

What are Unique Synthetic Cleansers?

They are exclusive, proprietary cleansers, chemically engineered to remove deposits from your entire fuel system. Castrol SYNTEC POWER SYSTEM's Unique Synthetic Cleansers:

Clean and prevent deposit buildup better than ordinary cleansers

Neutralize power robbing effects of combustion chamber deposits

Are more powerful than ordinary fuel treatments

Improve acceleration in today's high technology engines better than ordinary fuel treatments

No other fuel treatment has Syntec's Unique Synthetic Cleansers!

Acceleration Chart

[Depiction of acceleration chart]

At bottom of chart is the following statement:

2 car lengths faster (15-70mph)

How does it work?

Castrol SYNTEC POWER SYSTEM works in two ways. First, the Unique Synthetic Cleansers remove deposits throughout your fuel system

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Fuel Injectors**Carburetors****Intake Valves****Intake Manifolds****Fuel Intake Ports**

Second, the Unique Synthetic Cleansers chemically modify power robbing combustion chamber deposits, and can actually help improve acceleration. Laboratory tests prove that Castrol SYNTEC POWER SYSTEM improves acceleration better than ordinary fuel treatments.

So, use Castrol SYNTEC POWER SYSTEM every 3,000 miles, or with every oil change, to clean your entire fuel system, prevent engine de-tune, improve acceleration and ensure the ultimate in engine performance.

* * *

[Exhibit C: Product Label]

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

A. Castrol Syntec Power System fuel system treatment significantly improves engine power and acceleration in motor vehicles generally.

B. Castrol Syntec Power System is superior to other fuel system treatments in improving engine power and acceleration in motor vehicles generally.

6. 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.

7. 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 six was, and is, false or misleading.

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

A. Laboratory tests prove that Castrol Syntec Power System fuel system treatment significantly improves engine power and acceleration in motor vehicles generally.

B. Laboratory tests prove that Castrol Syntec Power System fuel system treatment is superior to other fuel system treatments in improving engine power and acceleration in motor vehicles generally.

9. In truth and in fact:

A. Laboratory tests do not prove that Castrol Syntec Power System fuel system treatment significantly improves engine power and acceleration in motor vehicles generally.

B. Laboratory tests do not prove that Castrol Syntec Power System fuel system treatment is superior to other fuel system treatments in improving engine power and acceleration in motor vehicles generally.

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

10. 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.

Commissioner Leary not participating.

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EXHIBIT A



VIDEO MONITORING
SERVICES OF
AMERICA, LP

330 W 42nd St, New York, NY 10036 (212) 736-2010

LaserBoard

PRODUCT Castrol Syntec
MARKET New York City
PROGRAM NBA On NBC
CODE # 9704-2415
TITLE Power System Improves Acceleration

LENGTH :30
STATION WNBC
DATE 04/12/97
TIME 5:39 PM

EXHIBIT A



(SFX: TRUCK ON HIGHWAY)



(SFX: CAR PASSING)



(SFX: BUS)



(SFX: BUS AND CAR HONKING AT INTERSECTION)



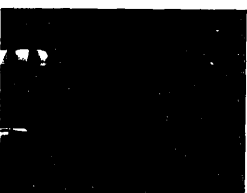
MALE ANNCR: Now there's a fuel system treatment from Castrol



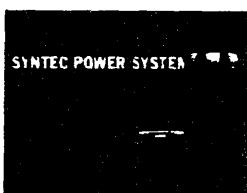
that can improve acceleration when you need it most.



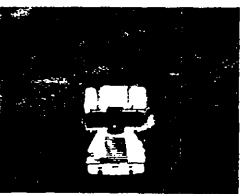
(MUSIC BEGINS) Introducing Castrol Syntec Power System with unique synthetic cleaners



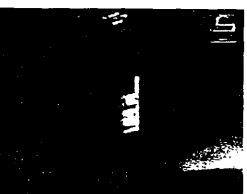
that reduce carbon deposits and can improve acceleration



in today's advanced cars.



You never know when you'll need it next. (SFX: TRUCK)



Castrol Syntec Power System.



POWER WHEN YOU NEED IT.
Power when you need it. (MUSIC ENDS)

ALSO AVAILABLE IN COLOR VIDEO CASSETTE

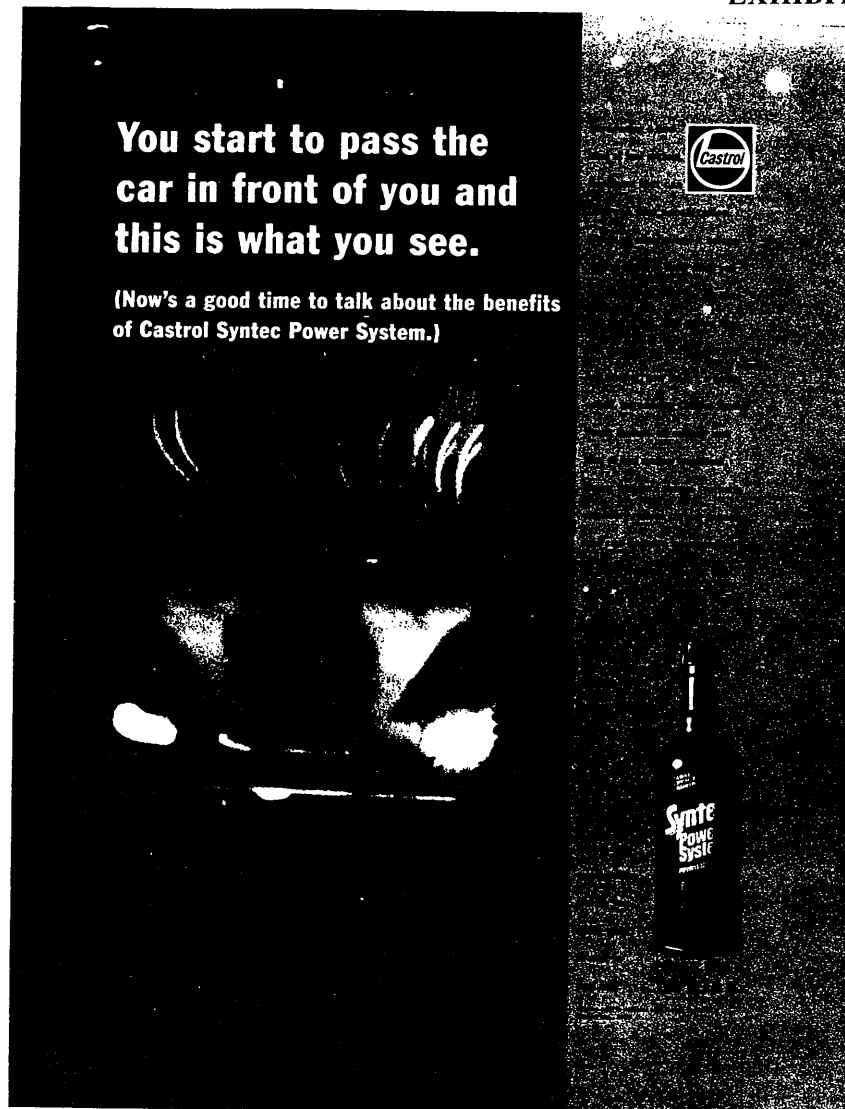
Material supplied by VMS may be used for internal review, analysis or research only. Any editing, reproduction, publication, re-broadcasting, public showing or display for profit is forbidden and may violate copyright law.
NEW YORK, LOS ANGELES, CHICAGO, PHILADELPHIA, SAN FRANCISCO, DETROIT, BOSTON, DALLAS, WASHINGTON, HOUSTON, MIAMI, DENVER, HARTFORD, SAN DIEGO

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EXHIBIT B

EXHIBIT B



Complaint

128 F.T.C.

EXHIBIT C

EXHIBIT C

Have you noticed that your car or truck doesn't have the pickup that it used to?

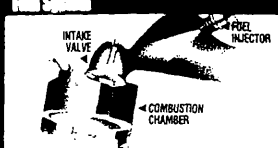
The Problem

Even the best, most refined gasoline decomposes in your fuel system leaving behind harmful carbon deposits. As deposits build up, today's high technology, finely-tuned engines actually de-tune themselves. The result is hesitation, sluggishness, stalling and overall poor acceleration.

The Solution

Castrol SYNTEC POWER SYSTEM, the only fuel system treatment formulated with Syntec Molecular Components. These Unique Syntec Cleaners do so by actually removing deposits from your engine fuel system, thus making possible the removal of combustion chamber deposits. In fact, Castrol SYNTEC POWER SYSTEM is far more powerful than ordinary fuel treatments, and is proven to reverse "engine de-tune" and improve acceleration in today's high technology engines.

Fuel System



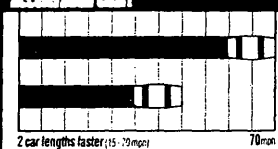
What are Unique Synthetic Cleansers?

The new unique proprietary cleansers chemically remove harmful deposits from your engine fuel system. Castrol SYNTEC POWER SYSTEM's Unique Synthetic Cleansers:

- Clean and prevent deposit buildup better than old "non" cleansers.
- Reverse power robbing effects of combustion chamber deposits.
- Are more powerful than ordinary fuel treatments.
- **Improve acceleration in today's high technology engines better than ordinary fuel treatments.**

No other fuel treatment has Syntec's Unique Synthetic Cleansers!

Acceleration Chart



How does it work?

Castrol SYNTEC POWER SYSTEM, like all the Unique Synthetic Cleansers, works by actually cleaning your fuel system.

Fuel Injectors Carburetors Intake Valves
Intake Manifolds Fuel Intake Ports

Spreading the Unique Synthetic Cleansers throughout your engine, by removing combustion chamber deposits, will, in actual fact, improve acceleration. You can't see this. Castrol SYNTEC POWER SYSTEM improves total engine performance in your fuel treatment.

See how Castrol SYNTEC POWER SYSTEM, after 3000 miles or 10000 miles, can change your engine fuel system and improve de-tune, improve acceleration and ensure the ultimate in engine performance.

DECISION AND ORDER

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

The respondent, its attorney, and counsel for Federal Trade 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 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, and having duly considered the comments received, 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 Castrol North America Inc. is a Delaware corporation with its principal office or place of business at 1500 Valley Road, Wayne, New Jersey.
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 upon 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. "*Fuel additive product*" shall mean a product that is added to gasoline by a consumer, including but not limited to gasoline or fuel treatments, octane boosters, and octane treatments.

3. "*Engine oil additive product*" shall mean a product or treatment that is added to engine oil by a consumer.

4. Unless otherwise specified, "*respondent*" shall mean Castrol North America Inc. a corporation, its successors and assigns, and its officers, agents, representatives, and employees.

5. "*Commerce*" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

I.

It is ordered, That respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, labeling, promotion, offering for sale, sale, or distribution of Castrol Syntec Power System fuel system treatment or any other fuel additive product or engine oil additive product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication:

A. That such product will significantly improve engine power or acceleration in motor vehicles generally; or

B. That such product is superior to any other fuel additive product or engine oil additive product in improving engine power or acceleration in motor vehicles generally,

unless, at the time the representation is made, respondent possesses and relies upon competent and reliable scientific evidence that substantiates the representation.

II.

It is further ordered, That respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, labeling, promotion, offering for sale, sale, or distribution of Castrol Syntec Power System fuel system treatment or any other fuel additive product in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, regarding the performance, benefits, efficacy, attributes or use of such product, unless, at the time the representation is made, respondent possesses and relies upon 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 advertising, labeling, promotion, offering for sale, sale, or distribution of any fuel additive product in or affecting commerce, shall not misrepresent, in any manner, expressly or by implication, the existence, contents, validity, results, conclusions, or interpretations of any test, study, or research.

IV.

It is further ordered, That respondent, 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 their 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.

V.

It is further ordered, That respondent 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 who have responsibilities for the preparation, review or approval of any advertising within the scope 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.

VI.

It is further ordered, That respondent and its successors and assigns shall notify the Commission at least thirty (30) days prior to any change in the corporation 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. 20580.

VII.

It is further ordered, That respondent 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 it has complied with this order.

VIII.

This order will terminate on December 13, 2019, 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 of 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.

Commissioner Leary not participating.

IN THE MATTER OF

PRECISION CASTPARTS CORP., ET AL.

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

Docket C-3904. Complaint, Nov. 9, 1999--Decision, Dec. 17, 1999

This consent order, among other things, requires two corporations, that develop and manufacture aerospace cast components, to divest certain assets, in the time-frame specified, to a Commission-approved acquirer.

Participants

For the Commission: *Matthew Reilly, Nicholas Koberstein, Ann Malester, Richard Parker, Jeremy Bulow, Daniel O'Brien and Curtis Wagner.*

For the respondents: *Jeffrey Brennan, Collier, Shannon, Rill & Scott, Washington, D.C. and J. Anthony Downs, Goodwin, Proctor & Hoar, Boston, MA.*

COMPLAINT

The Federal Trade Commission ("Commission"), having reason to believe that respondent Precision Castparts Corp. ("PCC"), a corporation subject to the jurisdiction of the Commission, has agreed to acquire 100 percent of the voting securities of respondent Wyman-Gordon Company ("Wyman-Gordon"), a company subject to the jurisdiction of the Commission, in violation of Section 7 of the Clayton Act, as amended, 15 U.S.C. 18, and Section 5 of the Federal Trade Commission Act, as amended 15 U.S.C. 45, and it appearing to the Commission that a proceeding in respect thereof would be in the public interest, hereby issues its complaint, stating its charges as follows:

I. DEFINITIONS

1. "*Aerospace Investment Cast Components*" means dimensionally precise metal components manufactured using the investment casting process that are used primarily in aerospace jet engine and aerospace airframe applications.

2. "*Titanium Aerospace Investment Cast Components*" means Aerospace Investment Cast Components manufactured using titanium alloy.