

# **Exhibit A**

## DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft 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 respondents with violation of the Federal Trade Commission Act; 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 aforesaid draft complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than the jurisdictional facts, are true, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the Act, and that a complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby makes the following jurisdictional findings and enters the following order:

1. Respondent AJM Packaging Corporation is a Michigan corporation with its office and principal place of business at 6910 Dix Avenue, Detroit, Michigan. Respondent Abram Epstein is the president of said corporation. He formulates, directs, and controls the acts and practices of said corporation, and his principal office and place of business is located at the above stated address.

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

## ORDER

## DEFINITION

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

“*Product or package*” means any product or package, including but not limited to bags and plates, that is offered for sale, sold, or distributed to the public by respondents, their successors and assigns, under the “Nature’s Own Green Label” brand name or any other brand name of respondents, their successors and assigns; and also means any such product or package sold or distributed to the public by third parties under private labeling agreements with respondents, their successors and assigns.

## I.

*It is ordered*, That respondents AJM Packaging Corporation, a corporation, its successors and assigns, and its officers, and Abram Epstein, individually and as officer of said corporation, and respondents, representatives, agents, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, labeling, offering for sale, sale, or distribution of any paper product or package, 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:

(1) That any such product or package is degradable, biodegradable, or photodegradable; or,

(2) Through the use of such terms as degradable, biodegradable, photodegradable, or any other substantially similar term or expression, that the degradability of any such product or package offers any environmental benefit when disposed of as trash that is ordinarily buried in a sanitary landfill,

unless, at the time of making such representation, respondents possess and rely upon competent and reliable scientific evidence that substantiates the representation. For purposes of this order, 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.

## II.

*It is further ordered,* That respondents AJM Packaging Corporation, a corporation, its successors and assigns, and its officers, and Abram Epstein, individually and as officer of said corporation, and respondents' representatives, agents, and employees, 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 paper product or package in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner, directly or by implication, the extent to which any such paper product or package is capable of being recycled or the extent to which recycling collection programs for such product or package are available.

## III.

*It is further ordered,* That respondents AJM Packaging Corporation, a corporation, its successors and assigns, and its officers, and Abram Epstein, individually and as officer of said corporation, and respondents' representatives, agents, and employees, 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 product or package 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 any such product or package offers any environmental benefit, unless, at the time of making such representation, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates such representation.

IV.

*It is further ordered,* That respondents may continue to deplete their existing inventory of “Penthouse” brand paper plates product packaging in the normal course of business without violating this order until October 31, 1993.

V.

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

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

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

VI.

*It is further ordered,* That respondent AJM Packaging Corporation shall distribute a copy of this order within sixty (60) days after service of this order upon it to each of its operating divisions and to each of its officers, agents, representatives, or employees engaged in the preparation of labeling and advertising and placement of newspaper, periodical, broadcast, and cable advertisements covered by this order.

VII.

*It is further ordered,* That the individual respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. In addition, for a period of five (5) years from the service date of this order, the respondent shall promptly notify the Commission of each affiliation with a new business or employment

whose activities relate to the manufacture, sale, or distribution of paper products, or of his affiliation with a new business or employment in which his own duties and responsibilities relate to the manufacture, sale, or distribution of paper products. When so required under this paragraph, each such notice shall include the individual respondent's new business address and a statement of the nature of the business or employment in which such respondent is newly engaged, as well as a description of such respondent's duties and responsibilities in connection with the business or employment. The expiration of the notice provision of this paragraph shall not affect any other obligation arising under this order.

#### VIII.

*It is further ordered,* That respondents shall notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent such as a 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 under this order.

#### IX.

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

# **Exhibit B**

RECYCLABLE

NATURE'S OWN



GREEN LABEL®

COMPOSTABLE

BIODEGRADABLE

9 INCH

PAPER PLATES

- MADE FROM 100% PAPER; A RENEWABLE NATURAL RESOURCE
- MICROWAVE SAFE



Certified Fiber Sourcing  
www.sfiprogram.org

Economical and Convenient

AJM-PACKAGING CORP.

BLOOMFIELD HILLS, MI 48302

100

RENEWABLE

# **Exhibit C**

RECYCLABLE

GREASE RESISTANT

GOLD LABEL<sup>®</sup>

COMPOSTABLE

BIODEGRADABLE

9 INCH

PAPER PLATES

- MADE FROM 100% PAPER; A RENEWABLE NATURAL RESOURCE
- MICROWAVE SAFE



Use Everyday For

- \* Hot & Cold Foods
- \* Meals OR Snacks

AJM PACKAGING CORP.

BLOOMFIELD HILLS, MI 48302

100

RENEWABLE

# **Exhibit D**

AJM00003

# AJM

Compostable

Recyclable

Biodegradable

# *Punch Bags*



SUSTAINABLE  
FORESTRY  
INITIATIVE

Certified Fiber Sourcing

[www.sfiprogram.org](http://www.sfiprogram.org)

# 50

PAPER BAGS • 5 1/8 x 3 1/8 x 10 5/8 IN (13 x 7.9 x 27 cm)

# AJM

Compostable

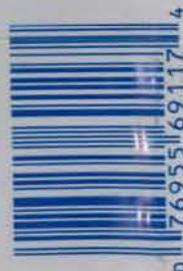
Recyclable

Biodegradable

## Lunch Bags



PLEASE RECYCLE



MADE IN U.S.A.

# 50

PAPER BAGS  
5 1/8 x 3 1/8 x 10 5/8 IN  
(13 x 7.9 x 27 cm)

AJM PACKAGING CORPORATION • BLOOMFIELD HILLS, MI 48302

# **Exhibit E**



**BIO-SAVE™**

*Lawn & Leaf  
Bags*

**recyclable • biodegradable • all natural**

This bag is made from paper; a renewable natural resource not harmful to domestic pets, birds, fish or other wildlife. It can be placed in a backyard composter or hauled to a community compost site where the bag and its organic contents will biodegrade.

Composting is an environmentally beneficial way to manage yard waste. It turns leaves, grass clippings and other plant material into a rich mulch or soil conditioner that can be used in landscaping and gardening.

# **Exhibit F**



1/6 BBL (70#)

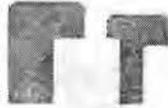
MNOVOLA  
011712 989

RENEWABLE, RECYCLABLE  
COMPOSTABLE  
CONTAINS MINIMUM 40%  
POST-CONSUMER MATERIAL

# **Exhibit G**

### Merchandise Bags-Natural Kraft

Description	Part Code	Pack
4 x 6 1/4	MBN104G10M	10000
5 x 7 1/2	MBN105G8M	8000
6 1/4 x 9	MBN106G6M	6000
7 1/2 x 10 1/2	MBN107G4M	4000
8 1/2 x 11	MBN108G4M	4000
10 x 13	MBN110G2M	2000
10 x 2 x 15	MBGN110G2M	2000
12 x 15	MBN112G2M	2000
12 x 3 x 18	MBGN112G1M	1000
14 x 15	MBN114G2M	2000
14 x 3 x 21	MBGN114G1M	1000
15 x 18	MBN115G1M	1000
17 x 21	MBN117G1M	1000
17 x 4 x 24	MBGN117G5C	500
20 x 5 x 30	MBGN120G250	250
21 x 24	MBN121G5C	500



### Merchandise Bags-Bleached Kraft

Description	Part Code	Pack
4 x 6 1/4	MBB104G10M	10000
5 x 7 1/2	MBB105G8M	8000
6 1/4 x 9	MBB106G6M	6000
7 1/2 x 10 1/2	MBB107G4M	4000
8 1/2 x 11	MBB108G4M	4000
10 x 13	MBB110G2M	2000
10 x 2 x 15	MBGB110G2M	2000
12 x 15	MBB112G2M	2000
12 x 3 x 18	MBGB112G1M	1000
14 x 15	MBB114G2M	2000
14 x 3 x 21	MBGB114G1M	1000
15 x 18	MBB115G1M	1000
17 x 21	MBB117G1M	1000
17 x 4 x 24	MBGB117G5C	500
21 x 24	MBB121G5C	500



### Lunch Bags

Description	Part Code
30/40ct	LB30AJ
12/50ct	LB12LAJ
24/50ct	LB24LAJ
12/100ct	LB12CAJ
24/100ct	LB24CAJ
12/50ct - Giant	LB12LAJGI
24/50ct - Giant	LB24LAJGI
24/40ct - Colors	LB2440KMMI



### Refuse Bags

Description	Part Code
12/5ct - (16x12x35)	RBR30125BO
360/5ct - Pallet Display	RB303605BO

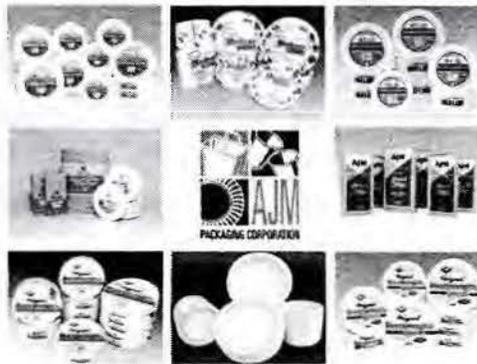


AJM Packaging Corporation is "SFI" and "Cedar Grove" approved, which means our products are "Renewable, Recyclable and Compostable".



AJM is also a leading manufacturer of:

- Paper Plates, Cups, Bowls, Napkins and Tablecovers available in Open Stock, Tear Cases, Floor Displays and various Merchandising Vehicles.
- Customized Packs, Basis Weights, Graphics and Color Capabilities available.



### AJM Packaging Corporation

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## AJM Packaging Corporation

A leader in Retail, Distribution, Food Service and QSR Packaging

