## UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

**COMMISSIONERS:** 

Edith Ramirez, Chairwoman Julie Brill Maureen K. Ohlhausen Joshua D. Wright Terrell McSweeny

In the Matter of

AMERICAN PLASTIC LUMBER, INC. a corporation **DOCKET NO. C-4478** 

## **COMPLAINT**

The Federal Trade Commission, having reason to believe that American Plastic Lumber, 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 American Plastic Lumber, Inc. is a California corporation with its principal office or place of business at 3867 Dividend Drive, Suite B, Shingle Springs, California 95682.

2. Respondent has advertised, offered for sale, sold, and distributed plastic lumber products, including picnic tables, benches, trash receptacles, wheel stops, and speed bumps, to end-use consumers and businesses in the construction industry.

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. Since at least June 2011, Respondent has disseminated advertisements and promotional materials for plastic lumber products, including but not necessarily limited to the attached Exhibits A and B. These materials contain the following statements:

A. "American Plastic Lumber is made from recycled milk jugs . . ."

"APL's HDPE products are made of high-density polyethylene (HDPE), UVinhibited pigment systems, foaming compounds and selected process additives. The HDPE raw material is derived from post-consumer bottle waste, such as milk and detergent bottles... with the resulting finished product containing over 90% recycled plastic by weight[.]"

(Exhibit A, excerpt from <u>www.american-plasticlumber.com</u>)

B. "And finally, because plastic lumber is made from recycled plastic milk jugs, it is the environmentally responsible solution to all of your lumber needs."

(Exhibit B, brochure)

5. A consumer acting reasonably under the circumstances is likely to interpret the representations described in Paragraph 4 to mean that American Plastic Lumber or the recycled plastic in American Plastic Lumber is all or virtually all post-consumer recycled content such as milk jugs or detergent bottles.

6. From June 2011 to June 2013, the post-consumer recycled plastic in Respondent's products was substantially less than Respondent represented. During this period, Respondent's products, on average, contained about 79% post-consumer content. During this period, about 8% of Respondent's sales were products with zero post-consumer content and about 7% were products with only 15% post-consumer content.

## **False or Misleading Claims**

7. In connection with the advertising, promotion, offering for sale, or sale of plastic lumber products, Respondent has represented, directly or indirectly, expressly or by implication, that:

- A. Its products are all or virtually all post-consumer recycled content such as milk jugs or detergent bottles; and
- B. The recycled plastic in its products is all or virtually all post-consumer recycled content such as milk jugs or detergent bottles.
- 8. In fact:
  - A. Respondent's products are not all or virtually all post-consumer recycled content such as milk jugs or detergent bottles; and
  - B. The recycled plastic in its products is not all or virtually all post-consumer recycled content such as milk jugs or detergent bottles.

9. The representations set forth in Paragraph 7 are false or misleading, or were not substantiated at the time the representations were made.

## **Violations of Section 5**

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

**THEREFORE**, the Federal Trade Commission this twenty-fourth day of July, 2014, has issued this Complaint against Respondent.

By the Commission.

Donald S. Clark Secretary

SEAL: