UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:

Maureen K. Ohlhausen, Acting Chairman Terrell McSweeny

In the Matter of

ICP Construction Inc., formerly known as California Products Corp., d/b/a Muralo Paints, a corporation.

DOCKET NO. C-

COMPLAINT

The Federal Trade Commission, having reason to believe that ICP Construction, Inc., formerly known as California Products Corporation, doing business as Muralo Paints, (ICP or "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 ICP Construction, Inc., formerly known as California Products Corp., doing business as Muralo Paints, is a Massachusetts corporation with its principal office or place of business at 150 Dascomb Road, Andover, Massachusetts 01810-5873.
- 2. Respondent has manufactured, advertised, labeled, offered for sale, sold, and distributed paint products to consumers, including BreatheSafe paints.
- 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.

Respondent's BreatheSafe Paints

- 4. Respondent distributes BreatheSafe paints to consumers through a network of authorized, independent retailers.
- 5. Respondent and its independent retailers have disseminated or have caused to be disseminated advertisements, packaging, and other promotional materials for BreatheSafe Paints to consumers, including the attached Exhibits A-F. These materials contain the following statements and depictions:



(Exhibit D, Brochure.)

b. Muralo BreatheSafe is a virtually odorless high-performance water-based latex, formulated with no harmful solvents and based on a sustainable chemistry technology, for interior use. Ideal for nursing homes, schools, babies' rooms and health care facilities.... Specified for space that is occupied during painting. (Exhibit A, www.muralo.com/products/breathesafematte.php).

Respondent's Eco Assurance Logo

6. Respondent distributes, or has caused its independent retailers to distribute several paint products bearing the following "Eco Assurance" logo, including BreatheSafe paints.

a.



(Exhibit E, paint can label).

Count I <u>Unsubstantiated Claims</u>

- 7. In connection with the advertising, promotion, offering for sale, or sale of BreatheSafe Paints, Respondent has represented, directly or indirectly, expressly or by implication, that:
 - a. BreatheSafe Paints are VOC-free;
 - b. BreatheSafe Paints are VOC-free during or immediately after painting;
 - c. BreatheSafe Paints will not emit any chemical or substance, including VOCs, that causes material harm to consumers, including sensitive populations such as babies; and
 - d. BreatheSafe Paints will not emit any chemical or substance including VOCs, during or immediately after painting, that causes material harm to consumers, including sensitive populations such as babies.
- 8. The representations set forth in Paragraph 7 were not substantiated at the time the representations were made.

Count II Deceptive Failure to Disclose—Material Connection with Eco Assurance

- 9. In connection with the advertising, promotion, offering for sale, or sale of its paints, such as through the use of its Eco Assurance seal, Respondent has represented, directly or indirectly, expressly or by implication, that these paints have been endorsed or certified by an independent third party.
- 10. Respondent has failed to disclose or adequately disclose that Respondent has a material connection to Eco Assurance, such as the fact the Eco Assurance seal is Respondent's own

designation. This fact would be material to consumers in their purchase or use decisions regarding Respondent's paints.

11. Respondent's failure to disclose or adequately disclose the material information described in Paragraph 10, in light of the representation set forth in Paragraph 9, is a deceptive act or practice.

Count III <u>Means and Instrumentalities</u>

12. Respondent distributed promotional materials, including the statements and depictions contained in Exhibits A through G to independent retailers. In so doing, Respondent has provided them with the means and instrumentalities for the commission of deceptive acts or practices.

Violations of Section 5

13. 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.

THEREFORE, the Federal Trade Commission this _____ day of _____, 201_, has issued this Complaint against Respondent.

By the Commission.

Donald S. Clark Secretary

SEAL: