

IN THE MATTER OF

SUN COMPANY, INC., ET AL.

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

Docket C-3381. Complaint, May 6, 1992--Decision, May 6, 1992

This consent order prohibits, among other things, Sunoco from making any representation concerning the superiority of Ultra octane gasoline in providing engine power or acceleration for any automobile, unless the respondents possess competent and reliable scientific evidence to substantiate the claims.

Appearances

For the Commission: *Joel Winston and Marianna R. Watts.*

For the respondents: *Richard B. Herzog, Pepper, Hamilton & Scheetz, Washington, D.C.*

COMPLAINT

The Federal Trade Commission, having reason to believe that respondents Sun Company, Inc., and Sun Refining and Marketing Company, corporations, hereinafter sometimes referred to as respondents, have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it would be in the public interest, hereby issues its complaint stating its charges as follows:

PARAGRAPH 1. Respondent Sun Company, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Pennsylvania. Respondent's office and principal place of business is located at 100 Matsonford Road, Radnor, PA.

Respondent Sun Refining and Marketing Company is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Pennsylvania. Respondent's office

and principal place of business is located at Tenn Penn Center, 1801 Market Street, Philadelphia, PA. It is a wholly-owned subsidiary of Sun Company, Inc.

PAR. 2. Respondents, at all times mentioned herein, have maintained a substantial course of business, including the acts and practices hereinafter set forth, which are in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 3. Respondents advertise, offer for sale, sell, and distribute gasoline and other petroleum products, including SUNOCO ULTRA 93.5 and 94 gasolines.

PAR. 4. Respondents have disseminated or have caused to be disseminated advertisements for SUNOCO ULTRA 93.5 and 94 gasolines, including but not necessarily limited to the attached Exhibits A-C. The aforesaid advertisements contain the following statements:

1. AnnCR: When your car's your baby . . . Sing: Nothin's too good for my baby. So nothin' but Ultra . . . Nothin' but Ultra. AnnCR: . . . treat it to the power of Sunoco Ultra 93.5. Man: Fill it up. Ultra. AnnCR: No other major brand can match it. Sunoco Ultra 93.5 . . . (Complaint Exhibit A.)

2. Susan: So, we went to Mobil, then another station, then another. I said, "Michael, why don't you just get any gasoline?" He said, "My baby would never forgive me." Mary: His baby? Susan: His car. Mary: How can you forgive yourself for going out with him? Susan: Then I said, "Is there really a difference between 94 and a lower octane?" And Michael said, "That's why they made it 94, baby." ANNCR: Only Sunoco has Ultra 94. No other gasoline can give your car better acceleration. Because no other gasoline has 94 octane - the highest octane under the sun. (Complaint Exhibit B.)

3. AnnCR: What's so special about Sunoco Ultra 94? No other gasoline can give your car better acceleration. Because no other gasoline has 94 octane - the highest octane under the sun. . . Don't waste your time going anywhere else. Come to Sunoco and fill up with Ultra 94 - for maximum power and performance. Remember, there's only one 94. Sunoco Ultra. (Complaint Exhibit C.)

PAR. 5. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisements attached as Exhibits A-C, respondents have represented, directly or by implication, that SUNOCO ULTRA 93.5 and 94 gasolines provide superior engine power and acceleration, that would be significant to consumers, for automobiles generally as compared to any other gasoline.

PAR. 6. Through the use of the statements contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisements attached as Exhibits A-C, respondents have represented, directly or by implication, that at the time they made the representation set forth in paragraph five, respondents possessed and relied upon a reasonable basis that substantiated such representation.

PAR. 7. In truth and in fact, at the time respondents made the representation set forth in paragraph five respondents did not possess and rely upon a reasonable basis that substantiated such representation. Therefore, the representation set forth in paragraph six was, and is, false and misleading.

PAR. 8. The dissemination by respondents of the aforesaid false and misleading representation, as herein alleged, constituted, and now constitutes, unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

Commissioner Owen dissenting.

EXHIBIT A

TELEVISION: AS RECORDED

CLIENT: Sun Refining & Marketing Co.	CODE NO. SUGS-5063
PRODUCT: Sunoco Ultra/Credit Card	DATE: 5/4/90
(MARKETS: CEDAR RAPIDS, DES MOINES, DAVENPORT)	LENGTH: 30 AIRDATE: 5/21-6/17
TITLE: "U-Turn Credit Card Promo"	JOB NO.: 03925-01306

VIDEO

AUDIO

OPEN ON A MAN GETTING INTO RED SPORTSCAR SEEN FROM ABOVE THROUGH A WINDOWPANE. CAR DOOR SLAMS AND WE SEE THE CAR DRIVE DOWN THE ROAD. WS OF RED CAR SPEEDING AROUND A CORNER. CU MAN IN CAR TURNS HIS HEAD AND NOTICES SUNOCO GAS STATION

ANNCR: When your car's your baby...

SING: Nothin's too good for my baby
So nothin' but Ultra...
Nothin but Ultra.

THE CAR STOPS SHORT AND TURNS AROUND

ANNCR: ...treat it to the power of Sunoco Ultra 93.5

SUNROOF OPENS AND MAN LOOKS UP SUN SHINES THROUGH THE LOGO ON THE PUMP. CAR IS FILLED UP BY LIT PUMP. MAN DRIVES DOWN THE ROAD INTO THE SUN
SPLASH OF SUN ON SCREEN

MAN: Fill it up. Ultra.

ANNCR: No other major brand can match it.
Sunoco Ultra 93.5

CRAWL WITH SUN IN THE BACKGROUND.

ANNCR: And now until June 30th, participating dealers will accept most gasoline credit cards and make it easy to get a Sunoco card.

At Sunoco, you pay one price, cash or credit.

SUPER: SUNOCO ULTRA 93.5 OCTANE

SFX: Music continues to :30 seconds.

BLACK

EXHIBIT B

RADIO: AS RECORDED

CLIENT: Sun Refining and Marketing Co. CODE: SU-90-2274

PRODUCT: Ultra Gasoline - 94 LENGTH: 60 DATE: 4/2/90

TITLE: Michael/Flint, New York. Version 1. JOB #: 03925-01296

MARY : So how was your date with Michael last night?
SUSAN: We ran out of gas.
MARY : Ohhh. That good.
SUSAN: First we went to an Amoco station. But they didn't have 94 .
MARY : 94 what?
SUSAN: 94 octane gasoline.
MARY: So?
SUSAN: So, we went to Mobil, then another station, then another. I said,
"Michael, why don't you just get any gasoline?" He said, "My baby
would never forgive me."
MARY : His baby?
SUSAN: His car.
MARY : How can you forgive yourself for going out with him?
SUSAN: Then I said, "Is there really a difference between 94 and a lower
octane?" And Michael said, "That's why they made it 94, baby."
ANNCR: Only Sunoco has Ultra 94. No other gasoline can give your car better
acceleration. Because no other gasoline has 94 octane - the highest
octane under the sun.
SUSAN: Finally, I said, "Look Michael, both of us want to be fed, now. Who's
more important?"
ANNCR: If you want to take good care of your baby, give it Sunoco Ultra 94.
MARY : So where'd he take you?
SUSAN: Never make a man choose between you and his car.

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Complaint

EXHIBIT C

RADIO: AS RECORDED

CLIENT: Sun Refining and Marketing Co. CODE #: SU-90-2265
PRODUCT: Ultra Gasoline - 94 LEGTH: 60. DATE: 4/2/90.
TITLE: Gas Attendants/New York, Flint. Version 1 JOB #: 03925-01296

SFX : CAR PULLING INTO GAS STATION. BELL RINGS.
ATTENDANT: What'll it be?
DRIVER: Fill up to the top with 94.
ATTENDANT: 94? (Ha Ha) This is Amoco.
SFX : TIRES SCREECH OUT
ANNCR: There's only one 94 octane gasoline - Sunoco Ultra 94.
SFX: BELL RINGS.
DRIVER: Do you have any 94 octane?
ATTENDANT 2: Sir, we've got 87, 92 and a little half and half could be nice...but 94? We don't have anything that high.
SFX: TIRES SCREECH.
ANNCR: What's so special about Sunoco Ultra 94? No other gasoline can give your car better acceleration. Because no other gasoline has 94 octane - the highest octane under the sun.
DRIVER: Got any 94 octane?
ATTENDANT 3: What're ya, some kind of wise guy? Mobil doesn't make 94 octane.
SFX: TIRES SCREECH.
ANNCR: And Sunoco Ultra 94 has a special detergency to keep your intake system clean.
SFX: BELL RINGS.
DRIVER: 94?
SUN ATTENDANT: No . . . problem. Sunoco Ultra 94.
DRIVER: Don't waste your time going anywhere else. Come to Sunoco and fill up with Ultra 94 - for maximum power and performance. Remember, there's only one 94. Sunoco Ultra.

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 respondents 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 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 respondents 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 respondents of facts, other than jurisdictional facts, or of violations of law as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules.

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have 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 filed thereafter by interested persons pursuant to Section 2.34 of its Rules, 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 Sun Company, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its office and principal place of business located at 100 Matsonford Road, Radnor, Pennsylvania.

Respondent Sun Refining and Marketing Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its office and principal

place of business located at 1801 Market Street, Philadelphia, Pennsylvania.

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

PART I.

It is ordered, That respondents Sun Company, Inc., and Sun Refining and Marketing Company, corporations, their successor and assigns, and their officers, agents, representatives, and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, labeling, packaging, offering for sale, sale or distribution of SUNOCO ULTRA 93.5 and 94 gasolines or any other gasoline in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from making any representation, directly or by implication, about:

(1) The superiority of ULTRA 93.5 and 94 in providing engine power or acceleration for any automobile; or

(2) The relative or absolute attributes or performance of any gasoline with respect to vehicle engine power, acceleration, or any other performance characteristic,

unless at the time of making such representation, respondents possess and rely upon a reasonable basis consisting of competent and reliable scientific evidence which substantiates the representation. For the purposes of this order, "competent and reliable scientific evidence" shall mean tests, experiments, analysis, research, studies, or other evidence based on the expertise of professionals in the relevant area conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession or science to yield accurate and reliable results.

Provided that, nothing in this order shall prohibit respondents from truthfully representing the numerical octane rating of any gasoline.

PART II.

It is further ordered, That for three (3) years after the date of the last dissemination of the representation to which they pertain, respondents shall maintain and upon request make available to the Federal Trade Commission or its staff for inspection and copying:

A. All materials relied upon to substantiate any claim or representation covered by this order; and

B. All tests, reports, studies or surveys in respondents' possession or control that contradict any representation of respondents covered by this order.

PART III.

It is further ordered, That respondents shall forthwith distribute a copy of this order to all operating divisions, subsidiaries, franchisees, officers, managerial employees, and all of their employees or agents engaged in the preparation and placement of advertisements or promotional materials covered by this order and shall obtain from each such employee a signed statement acknowledging receipt of the order.

PART IV.

It is further ordered, That respondents shall notify the Commission at least thirty (30) days prior to any proposed change in the corporation(s) 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(s) that may affect compliance obligations under this order.

PART V.

It is further ordered, That respondents shall, within sixty (60) days after service upon them of this order 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.

Commissioner Owen dissenting.

DISSENTING STATEMENT OF COMMISSIONER DEBORAH K. OWEN

Deciding whether to issue a consent order involves weighing, among other factors, the potential benefits of securing stronger relief, against the costs and risks inherent in further negotiation and possible litigation. Pinpointing where the correct balance lies is often a formidable challenge, and people who share a dedication to tough law enforcement may reasonably disagree as to where it appropriately falls. In this matter, I believe that the relief obtained is grossly insufficient in light of the respondents' past conduct, and because the total consumer injury arising from the claims involved may be very costly.

Accordingly, I dissent from the Commission's decision to issue this consent order.

This is the second time that respondents have tangled with the Commission over ads linking octane and automobile engine performance. In 1974, the Commission ordered respondents' corporate predecessor, Sun Oil Co., to cease and desist from making false performance and uniqueness claims for its gasoline.¹ Since these respondents have a history of self-proclamation as the industry's octane king, I am skeptical that a second, mere "go and do no more" order will have much useful deterrent effect.

Securing stronger relief is certainly called for when there are indications that consumer injury is particularly significant. Consumer injury due to misperceptions about the relation between octane and performance, and the resultant "overbuying" of octane, may be very great. A report released last year by the U.S. General Accounting Office,² though cautioning that the existing evidence is not conclusive, suggested that consumers may be spending hundreds of

¹ 84 FTC 247 (1974).

² U.S. General Accounting Office, Gasoline Marketing: Premium Gasoline Overbuying May Be Occuring, but Extent Unknown, Report to the Chairman, Subcommittee on Antitrust, Monopolies and Business Rights, Committee on Judiciary, U.S. Senate, February, 1991.

millions of dollars, or more, yearly on unnecessary purchases of higher octane gasolines. Such dollar figures may not be surprising in view of the huge size of the gasoline market. In addition, recognizing the widespread nature of consumer misunderstanding about octane and performance, the Commission recently issued a "Facts for Consumers" bulletin, with the cooperation of the American Automobile Association, to help consumers select the octane grade most appropriate for their needs. I suspect, however, that this admirable effort represents only a small corrective to the consumer misperceptions that ads such as Sunoco's have not merely taken advantage of, but have strongly reinforced.

Based on these considerations, I conclude that the public interest would have been better served if the remedy in this matter had provided stronger incentives to insure compliance with the FTC Act, or had provided other relief that would truly benefit consumers. Query why in this instance, unlike others,³ the Commission is content to have consumer enlightenment financed with taxpayers' dollars, rather than with the ill-gotten gains of a company that the Commission has found reason to believe has violated the FTC Act -- more than once.

³ *United States v. Sears, Roebuck and Co.*, Civil Action No. 89-3383 TAF (DCC 1989); *American Life Nutrition, Inc., et al.*, FTC Docket No. C-3310.

CONCURRING STATEMENT OF COMMISSIONER DENNIS A. YAO

I agree with much of Commissioner Owen's dissenting view that some type of stronger relief is called for in this matter. There is some reason to believe that consumer misperception about the value of high octane gasoline in improving automobile performance will persist after the advertisements in question are withdrawn and thus that an order requiring Sun to place advertisements which correct past misleading advertising might be needed here.¹ In my view, however, the arguments in favor of ordering such corrective advertising as an appropriate and workable remedy for this case are not sufficiently supported. Nevertheless, an alternative remedy such as a consumer education program, in which a company is required to provide to consumers educational materials about the relative value of certain characteristics of goods,² may be appropriate for cases such as this one, particularly in light of Sun's involvement in a previous deceptive advertising campaign concerning the value of high octane gasoline.³ Although the Commission is not ordering such relief here, consumers would often benefit from educational materials provided by firms which have repeatedly engaged in deceptive advertising.

¹ See, e.g., *Warner-Lambert Co.*, 86 FTC 1398 (1975), *aff'd as modified*, 562 F.2d 749 (DC Cir. 1977), *cert. denied*, 435 U.S. 950 (1978).

² See, e.g., *United States v. Sears, Roebuck & Co.*, Civil Action No. 89-3383 TAF (DCC 1989).

³ *Sun Oil Co.*, 84 FTC 247 (1974).

IN THE MATTER OF

RMED INTERNATIONAL, INC., ET AL.

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

Docket C-3382. Complaint, May 14, 1992--Decision, May 14, 1992

This consent order prohibits, among other things, a Colorado-based company, that makes "TenderCare" disposable diapers, and its president from making degradability claims in the future unless they possess competent scientific evidence to substantiate such claims.

Appearances

For the Commission: *Michael Dershowitz and Georgianna A. Forbes.*

For the respondents: *Pro se.*

COMPLAINT

The Federal Trade Commission, having reason to believe that respondents RMED International, Inc., a corporation, and Edward Reiss, individually and as an officer of said corporation, hereinafter sometimes referred to as 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 RMED International, Inc. ("RMED") is a Colorado corporation with its office and principal place of business located at 675 Industrial Drive, Delta, Colorado.

Respondent Edward Reiss is an officer of the corporate respondent named herein. He formulates, directs, and controls the acts and practices of the corporate respondent. His business address is the same as that of the corporation.

The aforementioned respondents cooperate and act together in carrying out the acts and practices hereinafter set forth.

PAR. 2. Respondents have, or have caused to be, advertised, offered for sale, sold, and distributed disposable diapers to the public under the trade name "TenderCare."

PAR. 3. Respondents, at all times mentioned herein, have maintained a substantial course of business, including the acts and practices alleged in this complaint, which are in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. Respondents have disseminated or have caused to be disseminated advertisements and package labels for "TenderCare" diapers, including, but not necessarily limited to, the attached Exhibits A through H.

The aforesaid package labels contain the following statements:

BIODEGRADABLE (Exhibits A and B).
Biodegradable Outer Diaper Backing. (Exhibit B).
Bag IS Biodegradable. (Exhibit B).

The aforesaid advertisements contain the following statements:

[TenderCare] is completely biodegradable. (Exhibit C) (emphasis in original).

TenderCare disposable diapers offer a new choice for parents concerned about the quality of the environment...(Exhibit D).

Most mass-marketed disposable diapers are not biodegradable, so they contribute every day to the growing environmental crisis. These non-biodegradable diapers will become a lasting problem which your children and perhaps your great-great grandchildren will have to solve. But with biodegradable TenderCare diapers, it doesn't have to be that way. (Exhibit D).

What's more, other disposable diapers do not biodegrade which means they're harmful to the environment. (Exhibit E).

Because TenderCare Diapers biodegrade, you can feel even better about using a disposable diaper. (Exhibit E).

TenderCare, America's first biodegradable, chemical-free disposable diaper is setting the standard for biodegradable products by adding POLYCLEAN to the plastic liner. (Exhibit F) (emphasis in original).

POLYCLEAN is currently the only biodegradable additive for plastic known to break down in America's solid waste landfills. (Exhibit F)(emphasis in original).

PolyClean has 6% corn starch contained in most biodegradable plastics, but also includes a trace element of minerals that will cause a chemical reaction in the plastic several months after it hits the solid waste disposal system which will break the plastic down into a wax residue. This residue can then be biologically attacked. (Exhibit G).

This plastic does not require sunlight. The break down will happen more quickly with oxygen and water, since the chemical and biological processes will both be at work. But it will happen within two to five years even in low oxygen environments. (Exhibit G).

When you choose diapers for your baby, we hope that you will choose a diaper that . . . will not sit in a landfill for 200 to 500 years. (Exhibit G).

As we all know by now, disposable diapers, like many other disposable products, once discarded, remain intact and become part of what the EPA calls [the] "staggering garbage crisis" facing us today. TenderCare diapers are part of a solution to this problem. The plastic used in TenderCare diapers has FDA approved ingredients that aid in the degradation (sic) process allowing these diapers to turn into harmless carbon dioxide and water in a fraction of the time it takes conventional plastic diapers. (Exhibit H).

PAR. 5. Through the use of the statements contained in the advertisements and labels referred to in paragraph four, including but not necessarily limited to the advertisements and labels attached as Exhibits A through H, respondents have represented, directly or by implication, that:

1. "TenderCare" disposable diapers will completely break down, decompose, and return to nature in a reasonably short period of time after consumers dispose of them as trash.
2. Compared to other disposable diapers, "TenderCare" disposable diapers offer a significant environmental benefit when consumers dispose of them as trash that is buried in a landfill.
3. "TenderCare" disposable diapers will completely break down, decompose, and return to nature within 2 to 5 years.

4. "TenderCare" disposable diapers will break down, decompose, and return to nature significantly faster than other disposable diapers after consumers dispose of them as trash that is buried in landfills.

5. "TenderCare" disposable diapers will completely break down, decompose, and return to nature in a short enough period of time to significantly reduce the amount of garbage in landfills.

PAR. 6. Through the statements contained in the advertisements and labels referred to in paragraph four, including but not necessarily limited to the advertisements and labels attached as Exhibits A through H, respondents have represented, directly or by implication, that at the time they made the representations set forth in paragraph five, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PAR. 7. In truth and in fact, at the time respondents made the representations set forth in paragraph five respondents did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representation set forth in paragraph six was, and is, false and misleading.

PAR. 8. The dissemination by respondents of the aforesaid false and misleading representations, as alleged in this complaint, constitutes unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

Complaint

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EXHIBIT A



Tender Care™

CHEMICAL FREE Superabsorbent
Disposable Diapers

"Did you know that your baby will spend approximately 10,000 hours in diapers? So absorbent diapers are very convenient and do a great job of keeping your baby dry. There is, however, something you don't know."

First superabsorbent diapers keep babies dry with chemistry - called superabsorbents. Moisture turns these chemicals into a gel that sits right next to baby's skin and genital area. You won't find this type of chemistry in other disposable diapers. Because the P&H doesn't regulate infant diapers, it's important that TenderCare® is the disposable, superabsorbent diaper for your baby. TenderCare® keeps your baby dry with our unique high-tech construction - a 100% natural "wicking" technology that keeps your baby's skin cool and dry with a layer of polyurethane and non-toxic chemicals. TenderCare® also allows more air circulation for healthier skin and less of that "red rash."

MADE IN THE U.S.A.
TenderCare® is a registered trademark of P&H, Inc.

P&H

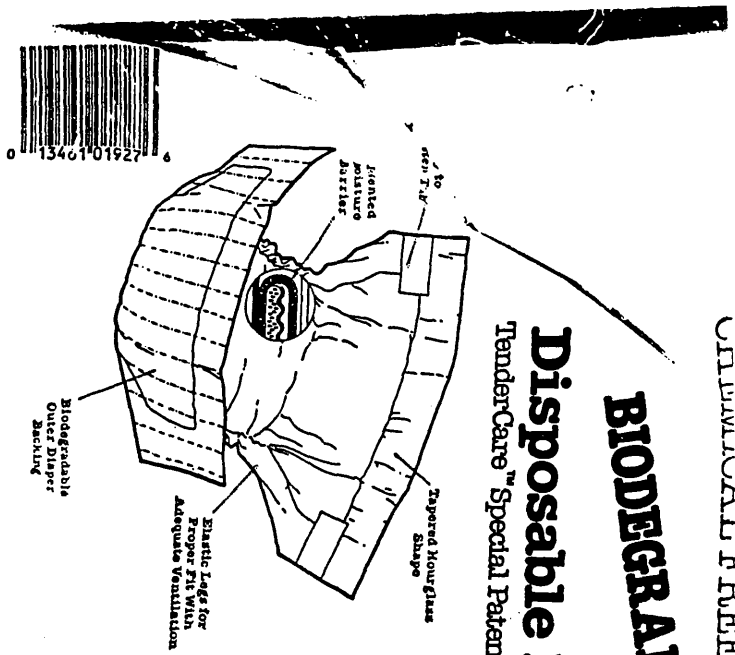
NEW!
TARGET
REFEASIBLE
TAPE

BIODEGRADABLE
TARGET

EXHIBIT A

Complaint

EXHIBIT B



UNUSUAL FINE Superabsorbent

BIODEGRADABLE

Disposable Diapers TenderCare™ Special Patented Construction

The TenderCare is specially designed by pediatricians and heretofore specialists. The ultra-dry special moisture control feature traps urine and stool molecules away from baby's skin. TenderCare has patented a dryness system that doesn't use absorbency chemicals to keep your baby dry. TenderCare is the only superabsorbent diaper available today that draws moisture away from baby and traps it in a special "reservoir" layer. Patented under U.S. Patent # 4,043,722. This unique design allows air to circulate around baby's skin to avoid excess irritation (see diaper rash) and keep skin healthier. TenderCare is free of perfume and dandruff. The TenderCare Diaper is truly sensitive to your baby's needs.

For more information about TenderCare products call toll free 1-800-344-TM DNY (1-800-344-6379)

- Keep Diapers away from baby's face.
- Avoid exposure to open flames.
- Moist hairy clothing and diapers can burn.

Bag IS Biodegradable

IMPORTANT: Please be environmentally conscious when disposing of soiled diapers. Proper disposal is recommended. Flush all soiled waste in toilet. Do not flush diaper.

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EXHIBIT B

Complaint

115 F.T.C.

EXHIBIT C

IT'S TIME TO CHANGE YOUR BABY'S DIAPERS

Your baby will spend approximately *20,000 hours* in diapers. Today's superabsorbent diapers are very convenient and do a great job of keeping your baby dry.

But here's *something you may not know*:

Most superabsorbent diapers, including the big, nationally-advertised brands, *use chemicals to keep your baby dry*. Moisture turns these chemicals into a gel that sits right next to baby's skin and genital area. And you won't find these chemicals listed on package labels because the FDA does not regulate infant diapers.

But here's *the good news*. Now there's *chemical free TenderCare™*, a new disposable, superabsorbent diaper that's soft, comfortable, free of absorbency chemicals, perfumes, deodorants and is *completely biodegradable*.


Instead of chemicals, new TenderCare™ keeps your baby dry with a *unique design*—a 100% natural "wicking" technique *developed by a pediatrician* and refined by a team of neo-natal specialists. This patented® design *not only traps moisture*, but also allows more air circulation for healthy skin and less diaper rash.

To find out how you can start using these remarkable new diapers, call toll free *1-800-34-IM DRY (1-800-344-6379)*.

Tender♥Care™

Because babies should only be exposed to love.

EXHIBIT C


Available at Mrs. Good's on the West coast

*U.S. Patent #4,943,727 © 1988 Ethical International, A Division of Recty Mountain Medical Corporation

**PROUDLY
USA
MADE IN**



Change the World one diaper at a time.

Introducing biodegradable, chemical-free
TenderCare™ disposable diapers.

Every so often, a revolutionary new product comes along that makes life better. Now, TenderCare disposable diapers offer a new choice for parents concerned about the quality of the environment and the possible risks to their children from exposure to chemicals.

Biodegradable

Most mass-marketed disposable diapers are not biodegradable, so they contribute every day to the growing environmental crisis. These nonbiodegradable diapers will become a lasting problem which your children and perhaps your great-grandchildren will have to solve. But with biodegradable TenderCare diapers, it doesn't have to be that way.



*U.S. Patent 6,243,737 © 1999 Ecolab International

Chemical-free

TenderCare diapers use a patented* 100% natural "wicking" action to draw wetness away from babies' bottoms, keeping them dry and comfortable.

This unique design replaces acrylic acid polymer salts, used by other diapers to keep babies dry. These chemicals work by turning wetness into a gel, which sits next to your baby's skin. For TenderCare, that's too close for comfort.

Changing to TenderCare is one way you can make a difference and help create a cleaner, better world for you and your baby. TenderCare Diapers can be delivered right to your home. Call 1-800-344-6379 to find out more. And tell a friend. Together, we can change the world one diaper at a time.



Call
1-800-34-IM-DRY

TenderCare

Because babies should only be exposed to love.

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Biodegradable

It's time to change your baby's diapers.

EXHIBIT E

Almost all of today's "super-absorbent" diapers rely on chemicals to keep baby dry... and these chemicals are only a few millimeters away from baby's skin. What's more, other disposable diapers do not biodegrade which means they're harmful to the environment.

Our TenderCare Diapers are biodegradable.

TenderCare diapers are soft, super-absorbent, comfortable and contain absolutely no chemicals to harm your baby or the world he lives in. The secret is in the patented design that drains moisture away from baby and traps it in a special reservoir. Air gets next to skin, instead of moisture. That saves baby's bottom from excess irritation and promotes healthier skin. And since there are no perfumes or deodorants, there's less chance of skin reactions.

Because TenderCare Diapers biodegrade, you can feel even better about using a disposable diaper.

We'll deliver every 3 weeks automatically, if you wish.

No more reminders to reorder your diapers or frantic trips to the store.

We'll send our diapers to you every three weeks (each package contains about a three week supply). If your child goes through diapers at a different rate,

we'll adjust your deliveries accordingly. As your child grows, just contact our Customer Service Department toll free and we'll change the size of diapers you receive beginning with your next shipment. What could be easier?

There's absolutely no obligation whatsoever.

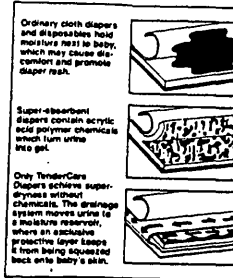
You can receive our TenderCare Diapers for three weeks or for several years. Just let us know if you wish to stop the shipments...we'll do so immediately. The whole idea is to make your shopping easier.

Here's all you do.

Call our toll free number 1-800-LITTLE-1 (1-800-538-8531) weekdays between 9AM and 5PM. Tell our Customer Service Representative that you want to begin receiving our diapers on a regular basis. The item number is #K002. Specify the size, shipping address, and provide your VISA Card, MasterCard, Discover Card or

American Express Card number. We'll do the rest. Every three weeks we'll send your diapers out and charge your credit card for \$59 (California residents need to add 6.5% sales tax).

There are no extra shipping charges for UPS delivery in the continental United States. We only charge your credit card as we ship your diapers to you! And there are no other hidden or



Ordinary cloth diapers and disposables hold moisture next to baby, which may cause discomfort and promote diaper rash.

Super-absorbent diapers contain acrylic acid polymer chemicals which turn urine into gel.

Only TenderCare Diapers achieve super-dryness without chemicals. The drainage system moves urine to a moisture reservoir, where an exclusive protective layer keeps it from being squeezed back onto baby's skin.

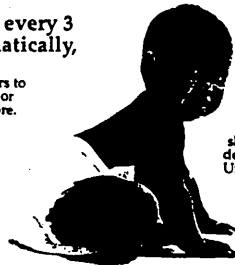
upfront charges for this service.

Call today. Whether you want to give us a try or receive regular shipments, it's a great start toward promoting a healthier baby and environment. We don't know of an easier way for you to put your diaper worries behind you.

Trial size Diapers, #E001, \$14.95
(No additional UPS shipping charge in continental U.S.)
Size S: 6-14 lbs., 66 diapers
Size M: 12-22 lbs., 48 diapers
Size L: 22-30 lbs., 32 diapers
Size T: Over 30 lbs., 28 diapers

TenderCare Diapers, #E140, \$59
(No additional UPS shipping charge in the continental U.S.)
Size S: 6-14 lbs., 264 diapers
Size M: 12-22 lbs., 192 diapers
Size L: 22-30 lbs., 132 diapers
Size T: Over 30 lbs., 112 diapers

For automatic shipments every three weeks, order #K002 and specify size. There is no extra charge for this service.



New **Baby's pacifier serenades her to sleep.**

This is more than just a beautiful pacifier. It's practically a musical instrument. Suck or biting the non-toxic nipple activates the tiny music box into playing a warm rendition "Rock A Bye Baby". Nipple detaches easily from pacifier for easy washing. Soothing and Buy two and SAVE. Pacifier designs may vary slightly.

Musical Pacifier, #G003, \$7.95
(1.50 shpp/hdlg)
*Buy two and Save \$2, \$13.90
(2.00 shpp/hdlg)



*Call
1-800-34-IM-DRY*

Change the World One Diaper at a Time

TenderCare, America's first biodegradable, chemical-free disposable diaper is setting the standard for biodegradable products by adding POLYCLEAN™ to the plastic liner.

POLYCLEAN™ is currently the only biodegradable additive for plastic known to break down in America's solid waste landfills.

TenderCare Diapers are the most absorbent, chemical-free diaper made. The natural "wicking" action draws wetness away from babies skin, keeping them dry and comfortable. Call 1-800-344-6379 for free information on Free Home Delivery.

Tender  Care

EXHIBIT G

TenderCare™

Because babies should only  be exposed to love.

Chamberlains has carried Chemical-free TenderCare Biodegradable diapers for months now, but recently the credibility of biodegradable products is being questioned in the media. Unfortunately, the information is often inaccurate, incomplete or contradictory. More often than not, biodegradable and photodegradable plastics are taken to be the same, when they are actually very different. And mentions of TenderCare usually do not discuss their main feature, which is super absorbency without chemicals.

The plastic used in TenderCare is called "Poly-Clean" and was developed by Archer Daniels Midland. You may know them for their work in helping to reduce acid rain and carbon dioxide in the environment. Poly-Clean has 6% corn starch contained in most biodegradable plastics, but also includes a trace element of minerals that will cause a chemical reaction in the plastic several months after it hits the solid waste disposal system which will break the plastic down into a wax residue. This residue can then be biologically attacked.

This plastic does not require sunlight. The break down will happen more quickly with oxygen and water, since the chemical and biological processes will both be at work. But it will happen within two to five years even in low oxygen environments. This is a relatively new process, and unfortunately many journalists do not have updated information when writing their articles.

Even though TenderCare was the first biodegradable diaper in the U.S., the chemical issue is really our main concern. TenderCare diapers were developed and patented by a pediatrician concerned about babies wearing diapers that contain a chemical compound which has not had long term safety testing. And all of the ultra thin and absorbent diapers on the market contain these acrylic acid polymer salt chemicals to absorb wetness. Because these diapers are so absorbent, many babies' diapers are not changed often enough to keep their skin healthy. TenderCare diapers unique design absorbs moisture and traps it away from babies' skin.

When you choose diapers for your baby, we hope you will choose a diaper that does not contain these absorbing chemicals, and will not sit in a landfill for 200 to 500 years. Please try TenderCare, available in four sizes.

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Mandarin Orange Spice® Chicken

3 Pounds Frying Chicken	1/2 Cup Boiling Water
Cut Into Serving Peices	1/2 Cup Soy Sauce
4 Mandarin Orange Spice	2 Tbsp. Honey
Herb Tea Bags	2 Tsp. Vegetable Oil
(non caffeine)	

Open tea bags and empty contents into a bowl. Add the boiling water and let stand about 5 minutes. Stir in honey, soy sauce, and oil. Put chicken in a glass baking dish. Pour marinade over chicken. Cover and allow to marinate 3-4 hours at room temperature, turning once. (Can be marinated overnight in the refrigerator.) Bake chicken in marinade (covered) at 325° for an hour or until chicken is tender. Serve marinade over rice. Serves 4 to 6.

