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UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of
GREY ADVERTISING, INC.,
a corporation.

DOCKET NO. C-3690

COMPLAINT

The Federal Trade Commission, having reason to believe that Grey Advertising, Inc., a corporation ("respondent"), has 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 ONE: Respondent Grey Advertising, Inc. is a New York corporation, with its principal office or place of business at 777 Third Avenue, New York, New York 10017.

PARAGRAPH TWO: Respondent, at all times relevant to this complaint, was an advertising agency of Hasbro, Inc., and prepared and disseminated advertisements to promote the sale of Colorblaster Design Toys, spray painting toys.

PARAGRAPH THREE: 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.

PARAGRAPH FOUR: The Colorblaster Design Toy consists of a plastic drawing tray with an oblong plastic air tank underneath. An attached handle is used to pump up pressure inside the air tank. Special color pens are inserted into a sprayer connected to a hose attached to the air tank. Several sets of stencils, four color pens and blank paper are included with the toy. The enclosed instructions state: "Fully extend handle and pump it quickly 50 strokes. . . The more you pump, the more you spray."

PARAGRAPH FIVE: Respondent has disseminated or has caused to be disseminated advertisements for the Colorblaster Design Toy ("Colorblaster"), including but not necessarily limited to the attached Exhibits A and B. These advertisements contain the following statements and depictions:

A.	<u>VIDEO</u>	<u>AUDIO</u>
Children playing with a Colorblaster.	Tight shot of hand spraying stencil and removing it to reveal a picture of a car followed by a scene of children using the Colorblaster.	<u>Boy:</u> It's a blast!
Hand pumping toy four times.	Several scenes of the Colorblaster spraying stencils and quickly creating multi-colored pictures.	<u>Song:</u> Something hip just blew into town spraying art with a blast of air. It's the Colorblaster.
Girl pumping toy twice. Red spray filling screen.		<u>Girl:</u> Nothing like it anywhere!
		<u>Boy:</u> It's a blast!
		<u>Song:</u> PPPump, pump...
		<u>Song:</u> Spray. Blast away. Spray'n stencils. Hot designs. Spray cool colors. Pictures so fine.
		<u>Boy:</u> Wild!
		<u>Song:</u> It's the Colorblaster. Spraying art with a blast of air.

(Exhibit A, television advertisement).

B.	<u>VIDEO</u>	<u>AUDIO</u>
	Hand pumping toy four times. <u>Super:</u> FEEL	<u>Announcer:</u> Get the feel...
	<u>Super:</u> REAL	
	Close-up of the Colorblaster Tight shot of hand spraying car stencil and	<u>Announcer:</u> of the real...
		<u>Announcer:</u> Colorblaster.

removing stencil to reveal multi-colored picture of car followed by shot of boy free spraying the car picture.

Song: The super hot way to spray with a blast of air.

Boy: Wow!

Split-screen image of hand pumping toy four times.

Song: Pump, pump. Spray.

Song: Blast away. The real Colorblaster.

Several scenes of the Colorblaster spraying stencils and quickly creating multi-colored pictures.

Hand pumping toy three times.

Super: FEEL

Announcer: Get the feel...

Super: REAL

Announcer: Of the real...

The Colorblaster.

Announcer: Colorblaster.

(Exhibit B, television advertisement).

PARAGRAPH SIX: Through the use of the statements and depictions contained in the advertisements referred to in PARAGRAPH FIVE, including but not necessarily limited to the advertisements attached as Exhibits A and B, respondent has represented, directly or by implication, that the demonstrations in the television advertisements of the operation of the Colorblaster Design Toy were unaltered and that the results shown accurately represent the performance of actual, unaltered Colorblaster Design Toys under the depicted conditions.

PARAGRAPH SEVEN: In truth and in fact, the demonstrations in the television advertisements of the operation of the Colorblaster Design Toy were not unaltered and the results shown do not accurately represent the performance of actual, unaltered Colorblaster Design Toys under the depicted conditions. Among other things, the Colorblaster Design Toy depicted in the advertisements was not manually pumped to provide the air pressure necessary to operate the paint sprayer. Instead, a motorized air compressor was attached to the Colorblaster Design Toy to provide the air pressure necessary to operate the paint sprayer, making it appear that children can operate the Colorblaster Design Toy and complete multi-part stencils with a small amount of pumping and little effort. Therefore, the representations set forth in PARAGRAPH SIX were, and are, false and misleading.

PARAGRAPH EIGHT: Through the use of the statements and depictions contained in the advertisements referred to in PARAGRAPH FIVE, including but not necessarily limited to

the advertisements attached as Exhibits A and B, respondent has represented, directly or by implication, that children can operate the Colorblaster Design Toy and complete multi-part stencils with a small amount of pumping and little effort.

PARAGRAPH NINE: In truth and in fact, children cannot operate the Colorblaster Design Toy and complete multi-part stencils with a small amount of pumping and little effort. To operate the Colorblaster Design Toy and complete multi-part stencils, children must engage in substantial pumping and significant manual effort. Therefore, the representation set forth in PARAGRAPH EIGHT was, and is, false and misleading.

PARAGRAPH TEN: Respondent knew or should have known that the representations set forth in PARAGRAPHS SIX and EIGHT were, and are, false and misleading.

PARAGRAPH ELEVEN: The acts and practices of the 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 thirtieth day of October, 1996, has issued this complaint against respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL: