

UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION

_____	)	
In the Matter of	)	
	)	
GLOBAL INSTRUMENTS LTD.,	)	
a corporation, and	)	
	)	AGREEMENT CONTAINING
CHARLES PATTERSON,	)	CONSENT ORDER
individually and as an officer	)	
of the corporation.	)	File No. 022 3122
_____	)	

The Federal Trade Commission has conducted an investigation of certain acts and practices of Global Instruments Ltd., a corporation, and Charles Patterson, individually and as an officer of the corporation (“proposed respondents”). Proposed respondents, having been represented by counsel, are willing to enter into an agreement containing a consent order resolving the allegations contained in the attached draft complaint. Therefore,

**IT IS HEREBY AGREED** by and between Global Instruments Ltd., by their duly authorized officers, and Charles Patterson, individually and as an officer of the corporation, and counsel for the Federal Trade Commission that:

- 1.a. Proposed respondent Global Instruments Ltd. is an Iowa corporation with its principal office or place of business at 819 Industrial Drive, Trenton, Missouri 64683.
- 1.b. Proposed respondent Charles Patterson is President of the corporate respondent. Individually or in concert with others, he formulates, directs, or controls the policies, acts, or practices of the corporation. His principal office or place of business is the same as that of Global Instruments Ltd.
2. Proposed respondents admit all the jurisdictional facts set forth in the draft complaint.
3. Proposed respondents waive:
  - a. Any further procedural steps;
  - b. The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and

- c. All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

4. This agreement shall not become part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft complaint, will be placed on the public record for a period of thirty (30) days and information about it publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondents, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondents that the law has been violated as alleged in the draft complaint, or that the facts as alleged in the draft complaint, other than the jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondents, (1) issue its complaint corresponding in form and substance with the attached draft complaint and its decision containing the following order in disposition of the proceeding, and (2) make information about it public. When so entered, the order shall have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery of the complaint and the decision and order to proposed respondents' address as stated in this agreement by any means specified in Section 4.4(a) of the Commission's Rules shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order. No agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of the order.

7. Proposed respondents have read the draft complaint and consent order. They understand that they may be liable for civil penalties in the amount provided by law and other appropriate relief for each violation of the order after it becomes final.

## ORDER

### DEFINITIONS

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

1. "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 have 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.

2. "Pest-control product" shall mean any Pest-A-Cator, Pest-A-Cator Too!, Pest-A-Cator Plus, Pest-A-Cator Too! Plus, Riddex, Riddex Jr., PestVacator 800, or PestVacator 1500, or any other product designed, advertised, or intended to repel, control, drive away, or eliminate any insect or animal pest, including but not limited to, mice, rats, and cockroaches.

3. Unless otherwise specified, "respondents" shall mean Global Instruments Ltd., a corporation, its successors and assigns and its officers; Charles Patterson, individually and as an officer of the corporation; and each of the above's agents, representatives, and employees.

4. "Commerce" shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.

## I.

IT IS ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any pest-control product, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, that such pest-control product:

- A. repels, controls, drives away, or eliminates, temporarily or indefinitely, mice, rats, cockroaches, or any other insects or animal pests,
- B. repels, controls, drives away, or eliminates any mice, rats, cockroaches, or any other insects or animal pests in a desired area or an area of a certain size,
- C. is an effective alternative to or eliminates the need for chemicals, pesticides, insecticides, exterminators, or any other pest control product or service, or
- D. will alter the electromagnetic field, send a pulsating signal, or otherwise work inside the walls or through the wiring of homes, offices, schools, restaurants, hospitals, or other buildings in a manner that effectively repels, controls, or eliminates mice, rats, cockroaches or any other insects or animal pests,

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

## II.

IT IS FURTHER ORDERED that respondents, directly or through any corporation, subsidiary, division, or other device, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any product, in or affecting commerce, shall not make any representation, in any manner, expressly or by implication, about the benefits, performance, or efficacy of such product, unless, at the time the representation is made, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

### III.

IT IS FURTHER ORDERED that respondent Global Instruments Ltd., and its successors and assigns, and respondent Charles Patterson shall, for five (5) years after the last date of dissemination of any representation covered by this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All advertisements and promotional materials containing the representation;
- B. All materials that were relied upon in disseminating the representation; and
- C. All tests, reports, studies, surveys, demonstrations, or other evidence in their possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

### IV.

IT IS FURTHER ORDERED that respondent Global Instruments Ltd., and its successors and assigns, and respondent Charles Patterson shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondents shall deliver this order to current personnel within thirty (30) days after the date of service of this order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities. Respondents shall retain the signed, dated statements acknowledging receipt of the order for a period of five (5) years and upon request make them available to the Federal Trade Commission for inspection and copying.

### V.

IT IS FURTHER ORDERED that respondent Global Instruments Ltd., and its successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the

emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. Provided, however, that, with respect to any proposed change in the corporation about which respondent learns less than thirty (30) days prior to the date such action is to take place, respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

#### VI.

IT IS FURTHER ORDERED that respondent Charles Patterson, for a period of three (3) years after the date of issuance of this order, shall notify the Commission of the discontinuance of his current business or employment with Global Instruments Ltd., or of his affiliation with any new business or employment involving the marketing of any consumer product. The notice shall include the respondent's new business address and telephone number and a description of the nature of the business or employment and his duties and responsibilities. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

#### VII.

IT IS FURTHER ORDERED that respondent Global Instruments Ltd., and its successors and assigns, and respondent Charles Patterson shall, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade 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.

#### VIII.

This order will terminate twenty (20) years from the date of its issuance, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this order that terminates in less than twenty (20) years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2003

GLOBAL INSTRUMENTS LTD.

By: \_\_\_\_\_

\_\_\_\_\_  
CHARLES PATTERSON, individually  
and as an officer of the corporation

\_\_\_\_\_  
STAN JOHNSTON  
Lewis, Rice & Fingersh, L.C.  
Attorney for respondents

\_\_\_\_\_  
CONSTANCE VECELLIO  
Counsel for the Federal Trade Commission

\_\_\_\_\_  
PATRICIA BAK  
Counsel for the Federal Trade Commission

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JANICE PODOLL FRANKLE  
Counsel for the Federal Trade Commission

APPROVED:

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ROBERT FRISBY  
Assistant Director  
Division of Enforcement

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ELAINE D. KOLISH  
Associate Director  
Division of Enforcement

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J. HOWARD BEALES, III  
Director  
Bureau of Consumer Protection