

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Dyna-E International, Inc. and George Wheeler, Docket No. 9336

The Federal Trade Commission (“FTC” or “Commission”) has accepted, subject to final approval, an agreement containing a consent order from Dyna-E International, Inc., a corporation, and its president and director, George Wheeler (“respondents”).

The proposed consent order has been placed on the public record for thirty (30) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement’s proposed order.

This matter involves respondents’ marketing and sale of Lightload Towels with packaging and other marketing materials that prominently state “biodegradable” without qualification. According to the FTC complaint, respondents represented that Lightload Towels will completely break down and return to nature, *i.e.*, decompose into elements found in nature, within a reasonably short period of time after customary disposal. The complaint alleges respondents’ biodegradable claim is false because a substantial majority of total household waste is disposed of either in landfills, incinerators, or recycling facilities and these customary disposal methods do not present conditions that would allow for Lightload Towels to completely break down and return to nature, *i.e.*, decompose into elements found in nature, within a reasonably short period of time. The complaint further alleges that respondents failed to have substantiation for their biodegradable claim. The proposed consent order contains provisions designed to prevent respondents from engaging in similar acts and practices in the future.

Part I.A of the proposed order prohibits respondents from making a representation that any product is degradable unless the representation is true, not misleading, and substantiated by competent and reliable scientific evidence. Part I.B prohibits respondents from making any other environmental benefit claim about any product, unless at the time the representation is made, it is truthful and not misleading, and substantiated by competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence.

Parts II through VI require respondents to keep copies of relevant advertisements and materials substantiating claims made in the advertisements; to provide copies of the order to certain of their personnel; to notify the Commission of changes in corporate structure that might affect compliance obligations under the order; to notify the Commission of changes in residence, employment, or business affiliation; to file compliance reports with the Commission; and to respond to other requests from FTC staff. Part VII provides that the order will terminate after twenty (20) years under certain circumstances.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.