

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Jon Leibowitz, Chairman
William E. Kovacic
J. Thomas Rosch
Edith Ramirez
Julie Brill

_____)
)
In the Matter of)
)
Universal Appliances, Kitchens, and Baths, Inc.,)
d/b/a universal-akb.com,)
a corporation.)
_____)

DOCKET NO. C-4319

COMPLAINT

The Federal Trade Commission (“FTC” or “Commission”), having reason to believe that Universal Appliances, Kitchens, and Baths, Inc., d/b/a universal-akb.com (“respondent”), a corporation, has violated provisions of the Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Under the Energy Policy and Conservation Act, 16 C.F.R. Part 305 (“Appliance Labeling Rule”), and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Universal Appliances, Kitchens, and Baths, Inc., d/b/a universal-akb.com is a California corporation with its principal office or place of business at 12050 Ventura Boulevard, Suite B-105, Studio City, CA 91604. Respondent maintains a website at www.universal-akb.com, which advertises, offers for sale, and sells a variety of products to retail customers, including refrigerators, freezers, clothes washers, dishwashers, and room air conditioners.
2. 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, 15 U.S.C. § 44.

THE APPLIANCE LABELING RULE

3. Pursuant to its authority under the Energy Policy and Conservation Act (“EPCA”), 42 U.S.C. § 6294, the Commission promulgated the Appliance Labeling Rule. Among other things, the Appliance Labeling Rule requires any “retailer” that advertises a “covered product” in a

“catalog” to provide in that catalog either the EnergyGuide label for the product prepared in accordance with the Appliance Labeling Rule or the following information: (a) the product’s capacity; (b) the product’s estimated annual operating costs; and (c) a conspicuously placed statement explaining that operating costs will depend on utility rates and use. 16 C.F.R. § 305.20(a). Failure to include the required information constitutes a violation of the Appliance Labeling Rule. *Id.*

RESPONDENT’S VIOLATIONS OF THE APPLIANCE LABELING RULE

4. Respondent is a “retailer” as defined in the Appliance Labeling Rule. 16 C.F.R. § 305.2(ff).

5. Respondent’s website, website www.universal-akb.com, consists of printed material disseminated over the Internet, which for each covered product contains the terms of sale, retail price, and instructions for ordering, from which a retail consumer can order the covered product. Thus, the webpages for each covered product are “catalogs” as defined in the Appliance Labeling Rule. *Id.* § 305.2(h).

6. Through its website, respondent has advertised and continues to advertise refrigerators, freezers, dishwashers, clothes washers, and room air conditioners. These appliances are “covered products” for purposes of the Appliance Labeling Rule. *Id.* § 305.3(a)-(f).

7. Respondent has failed to include in its catalogs the information disclosures required by § 305.14(a) for many of its covered products. Therefore, respondent has violated the Appliance Labeling Rule. *Id.* § 305.4(b)(5).

8. EPCA authorizes the Commission to assess a civil penalty of not more than \$110 for each violation of the Appliance Labeling Rule. 42 U.S.C. § 6303(a); FTC Rules of Practice, 16 C.F.R. §§ 1.97-1.98. Each day during which a retailer advertises a covered product on an Internet webpage but fails to provide the required information disclosures constitutes a violation with respect to that product. 42 U.S.C. §§ 6303(a), 6302(a)(4), 6296(a).

9. **WHEREFORE**, pursuant to 42 U.S.C. § 6303(a) and the FTC Rules of Practice, 16 C.F.R. §§ 1.97-1.98, the Commission requests monetary civil penalties for each violation of the Appliance Labeling Rule.

THEREFORE, the Federal Trade Commission this first day of April, 2011, has issued this complaint against respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL: