

UNITED STATES OF AMERICA  
BEFORE FEDERAL TRADE COMMISSION

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

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	<b>In the Matter of</b>	)
		)
	<b>Universal Appliances, Kitchens, and Baths, Inc.,</b>	)
	<b>d/b/a universal-akb.com,</b>	)
	<b>a corporation.</b>	)
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**DOCKET NO. C-4319**  
**REDACTED PUBLIC VERSION**

**DECISION AND ORDER**

The Federal Trade Commission having conducted an investigation of certain acts and practices of the Respondent named in the caption hereof, and the Respondent having been furnished thereafter with a copy of a draft Complaint that the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge the Respondent with violation 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

The Respondent, its attorney, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order ("Consent Agreement"), containing (1) an admission by the Respondent of all the jurisdictional facts set forth in the aforesaid draft Complaint, (2) a statement that the signing of said Consent Agreement is for settlement purposes only; (3) a statement that the Respondent denies that the law has been violated as alleged in the draft Complaint, and that the facts as alleged in the draft Complaint, other than jurisdictional facts, are true; and (4) a statement that the Respondent waives any further procedural steps, the requirement that this Decision and Order contain a statement of findings of fact and conclusions of law, and all rights to seek judicial review or otherwise to challenge or contest the validity of this Decision and Order entered pursuant to the Consent Agreement; and

The Commission having thereafter considered the matter and having determined that it has reason to believe that the Respondent has violated the Appliance Labeling Rule, and that a Complaint should issue stating its charges in that respect, and having thereupon accepted the executed Consent Agreement, the Commission hereby issues its Complaint, makes the following jurisdictional findings and enters the following Order:

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](http://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 Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the Respondent, and this proceeding is in the public interest.

### ORDER

### DEFINITIONS

1. Unless otherwise specified, "Respondent" shall mean Universal Appliances, Kitchens, and Baths, Inc., d/b/a universal-akb.com and its successors and assigns.

### **I.**

A. **IT IS ORDERED THAT**, Respondent shall pay, pursuant to 42 U.S.C. § 6303(a) and FTC Rules of Practice, 16 C.F.R. §§ 1.97-1.98, a civil penalty in the amount of \$100,000 according to the following schedule. Respondents shall pay \$16,691 no later than five days after the date of service of this Order, and every 30 days thereafter for the next 10 months Respondent shall make monthly installment payments of the balance plus interest calculated in accordance with 28 U.S.C. § 1961, of \$8,345.98 for the first 9 months and \$8,324.54 for the 10<sup>th</sup> month. Respondent shall make these installment payments by electronic fund transfer to the Treasurer of the United States, pursuant to a procedure to be specified by Commission staff in writing.

B. To secure performance of Respondent's obligations under this Section and payment in full of the penalty, Respondent has provided to the Commission security interests as set forth in the Security Agreement attached both to the Consent Agreement as Appendix A and to this Decision and Order as Appendix A, and incorporated by reference as a part of both the Consent Agreement and this Decision and Order.

C. Respondent represents and acknowledges that the Commission is relying on:

1. Respondent's material representations that it is the sole owner of the inventory set forth in the Security Agreement, and such inventory is not encumbered by any lien, assignment, pledge, security interest, or other interest; and

2. The truthfulness, accuracy, and completeness of Respondent's financial condition, as represented in Respondent's sworn financial statements, submitted to the Commission on May 19, 2010, along with Respondent's supporting financial documents (collectively, "Financial Statements").

D. In the event of any default by Respondent in making any monthly installment payment or satisfying any of its obligations under this Order, or if, upon motion by the Commission, a Court finds that Respondent failed to disclose any material asset or materially misstated the value of any asset in the Financial Statements or made any other material misstatement or omission in the Financial Statements, the penalty shall immediately become due and payable in its entirety, and the Commission shall be entitled to enforce its lien and pursue any and all other remedies available to it at law or equity. Further, interest on the penalty shall accrue, computed pursuant to 28 U.S.C. § 1961.

E. Respondent relinquishes all dominion, control, and title to the funds paid pursuant to this Order to the fullest extent permitted by law. Respondent shall make no claim to or demand for return of the funds, directly or indirectly through counsel or otherwise.

F. The monetary payment required by this Order represents a civil penalty owed to the Commission, is not compensation for actual pecuniary loss, and, therefore, is not subject to discharge under the Bankruptcy Code pursuant to 11 U.S.C. § 523(a)(7). Respondent agrees that the facts as alleged in the Complaint filed in this action shall be taken as true, without further proof, in any subsequent civil litigation filed by or on behalf of the Commission solely to enforce its rights to any payment or money judgment pursuant to this Order. Nothing in this Order shall have precedential or preclusive effect as to any claim or issue asserted by any third party in any other proceeding.

By the Commission.

Donald S. Clark  
Secretary

SEAL:  
ISSUED: April 1, 2011