

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Edith Ramirez, Chairwoman**
 Julie Brill
 Maureen K. Ohlhausen
 Joshua D. Wright

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| In the Matter of |) | |
| |) | |
| |) | Docket No. |
| Ecobaby Organics, Inc., |) | |
| a corporation. |) | |
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COMPLAINT

The Federal Trade Commission, having reason to believe that Ecobaby Organics, Inc. (“Respondent”) has violated provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent is a California corporation with its principal office or place of business at 9541 Ridgehaven Ct., San Diego, CA 92123. Respondent does business under the names Ecobaby and Purerest.

2. Respondent manufactures, advertises, offers for sale, sells, and distributes “natural latex” mattresses, which are marketed as mattresses that conform to the sleeper’s body shape and weight, as well as baby mattresses. Respondent distributes these mattresses through its website, www.purerest.com.

3. 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.

4. Respondent has disseminated or has caused the dissemination of promotional materials for its latex mattresses, including, but not limited to, print advertisements and website advertisements in the attached exhibits.

5. In many instances, including but not limited to the promotional materials shown in Exhibits 1 through 8, Respondent has prominently represented that:

- a. Respondent does not allow any Formaldehydes, Toluene, or Phenols in its latex mattresses. *See, e.g.*, Exhibit 1.
 - b. Respondent's products do not contain Formaldehyde. *See, e.g.*, Exhibit 2.
 - c. Respondent's latex mattresses contain no Toluene or Benzene. *See, e.g.*, Exhibit 3.
 - d. The rubber used in Respondent's latex mattresses is "chemical free." *See, e.g.*, Exhibits 4-5.
 - e. Respondent's mattresses are chemical free. *See, e.g.*, Exhibit 6.
 - f. Respondent's crib mattresses contain no toxic substances. *See, e.g.*, Exhibit 7.
 - g. Respondent's mattresses contain fewer contaminants and chemicals than other companies' memory foam or latex mattresses. *See, e.g.*, Exhibit 8.
 - h. Tests show that Respondent's mattresses do not contain volatile organic compounds ("VOCs"). *See, e.g.*, Exhibits 3-4, 7.
 - i. Tests show that Respondent's mattresses contain no Formaldehyde. *See, e.g.*, Exhibit 2.
 - j. Tests show that Respondent's mattresses are "chemical-free." *See, e.g.*, Exhibit 4.
6. In truth and in fact, Respondent did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 5.
7. In truth and in fact, testing does not confirm that Respondent's mattresses are free of chemicals, VOCs, and Formaldehyde.
8. Respondent has prominently displayed in many of its promotional materials the seal of the National Association of Organic Mattress Industry ("NAOMI"). Exhibit 1. Respondent represents that its mattresses conform to NAOMI's standards. Exhibit 6.
9. In reality, NAOMI is not an independent, third-party certifier or organization with appropriate expertise in evaluating whether Respondent's mattresses meet objective standards. In fact, Respondent controls NAOMI and NAOMI is an alter ego of Respondent.

COUNT I (False or Misleading Representations)

10. Through the means described in Paragraphs 4 and 8, Respondent has represented, expressly or by implication, that:

- a. NAOMI is an independent third-party certifier or organization with appropriate expertise in evaluating whether Respondent's mattresses meet objective standards; and
- b. NAOMI has awarded its seal to Respondent based on the application of NAOMI's objective standards.

11. In truth and in fact:

- a. NAOMI is not an independent third-party certifier with appropriate expertise in evaluating whether Respondent's mattresses meet objective standards; and
- b. Respondent awarded the NAOMI seal to its own products without applying objective standards.

Therefore, the representations set forth in paragraph 10 are deceptive.

COUNT II (Unsubstantiated Representations)

12. Through the means described in Paragraphs 4 and 5, Respondent has represented, expressly or by implication, that it possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 5, at the time the representations were made.

13. In truth and in fact, Respondent did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 5 at the time the representations were made. Therefore, the representations set forth in Paragraph 12 are false or misleading.

COUNT III (Establishment Claim)

14. Through the means described in Paragraphs 4 and 5(h)-5(j), Respondent has represented, expressly or by implication, that testing shows that Respondent's latex mattresses are free of chemicals, VOCs, and Formaldehyde.

15. In truth and in fact, testing does not show that Respondent's latex mattresses were free of chemicals, VOCs, and Formaldehyde. Therefore, the representations set forth in Paragraph 14 are false or misleading.

16. Respondent's practices, as alleged in this complaint, constitute 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 ____ day of _____ 2013, has issued this complaint against Respondent.

By the Commission.

SEAL:

Donald S. Clark
Secretary