



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

March 3, 2004

VIA FEDEX

Matthew Morgan, President
Pool Builders Supply of the Carolinas, Inc.
1124 Central Ave.
Charlotte, NC 28204

Re: Advertising for Pool Builders Supply of the Carolinas, Inc. Pool Covers.
File No. 032 3252

Dear Mr. Morgan:

As you know, the staff of the Federal Trade Commission has conducted an investigation into possible violations of Section 5 of the FTC Act by Pool Builders Supply of the Carolinas, Inc. in connection with certain claims regarding the Blue/Black Security pool cover. Specifically, advertising claims made by the company about the ability of the pool cover to support the weight of an automobile raised concerns under the Commission's advertising substantiation standard, which requires the company to possess adequate substantiation for all claims made in its advertisement. Advertising claims regarding safety generally raise particular concerns.

The staff has decided to close this investigation, based in part upon the company's limited dissemination of the ad and its discontinuance of all dissemination of the ads depicting a Volkswagen automobile on top of the company's pool cover. As you know, this matter was referred to the FTC by the National Advertising Division (NAD) of the Council of Better Business Bureaus, Inc. following their unsuccessful efforts at a voluntary resolution of the matter. The FTC continues to express strong support for NAD's efforts to investigate and resolve complaints through its voluntary process. We believe that your decision to discontinue all future dissemination of the particular ads will also satisfy the NAD's concerns. This action is not to be construed as a determination that a violation of the FTC Act may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take further action as the public interest may require.

Very truly yours,

Mary K. Engle
Associate Director