UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

| Terrell McSweeny | ing Chairman |
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| | DOCKET NO. C- |
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COMPLAINT

The Federal Trade Commission, having reason to believe that Imperial Paints, LLC, a limited liability company, has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

- 1. Respondent Imperial Paints, LLC ("Imperial"), also doing business as, *inter alia*, Lullaby Paints and ECOS Paints is a South Carolina limited liability company with its principal office or place of business at 350 East St. John Street, Spartanburg, South Carolina 29302.
- 2. Respondent has manufactured, advertised, labeled, offered for sale, sold, and distributed paint products to consumers, including Lullaby Paints and ECOS Paints.
- 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.

Imperial's Lullaby Paints

- 4. Respondent distributes Lullaby Paints directly to consumers through its websites, including http://imperialpaintsllc.com/ and http://imperialpaintsllc.com/ and http://lullabypaints.com/, and through independent retailers.
- 5. Respondent and its independent retailers have disseminated or have caused to be disseminated advertisements, packaging, and other promotional materials for Lullaby Paints to consumers, including the attached Exhibits A-M. These materials contain the following statements and depictions:



(Exhibit G, Brochure.)

b.

Why Lullaby Paints? Paint Coverage Per Gallon fullaby Safe for baby and mom SAFE TO APPLY AND BE AROUND. Our specially formulated paints provide the highest safety 1.5 Gallons 560 sq ft. *Our proprietary technology has been developed to improve coverage and reduce emissions. 32 Designer Colors & Color Matching Safety comes 8 Collections Each with 4 Colors Designer colors coordinated into perfectly matched collections Match Color Strips/Swatches We match other paint samples and color swatches Help reduce asthma, allergy, MCS "It's wonderful to be able to use a Furniture, Bedding and Fabric Have a furniture piece that needs to be matched? We can help. safe, premium paint to surround my baby. It gives me peace of mind." (Exhibit F, Brochure.)

c. The World's Finest Baby Safe Paint! (Exhibit J, www.lullabypaints.com/).

- d. There's no good reason why a premium quality, hard wearing, beautiful paint needs to contain toxic chemicals. Know how we know that? At Lullaby Paints, after years of development, we have proven it. We are pioneers in paint-making and extremely proud of our final product: the safest paint available. Newborn baby-safe. Pregnant mom-safe. Safe enough for kids to paint with. (Exhibit I, www.lullabypaints.com/safety).
- e. Safe for baby. And the environment. Our award-winning paint is praised as much for its color, coverage and durability, as it is for its safety. Attaining the highest certifications for product purity, Lullaby Paints is known in the industry as the safest paint available. Recognized by consumer advocacy groups and leading environmental organizations, used by hospitals and maternity facilities, lauded by magazines, designers and bloggers and, most of all, enjoyed by moms as pregnancy safe paints. We've revolutionized how safe and eco-friendly paints can be, for mom, baby, everybody. (Exhibit L, www.lullabypaints.com/how-it-works).
- f. Why Lullaby paints? . . . Tested and proven for over 20 years. These products are safe. (Exhibit G, brochure).

Imperial's ECOS Paints

- 6. Respondent distributes ECOS Paints directly to consumers through its websites, including http://imperialpaintsllc.com/ and http://ecospaints.net/, and through independent retailers.
- 7. Respondent and its independent retailers have disseminated or have caused to be disseminated advertisements, packaging, and other promotional materials for ECOS Paints to consumers, including the attached Exhibits N-Q. These materials contain the following statements and depictions:
 - a. WHAT IS SO DIFFERENT ABOUT ECOS PAINTS? Unlike traditional paints, even those labeled as "environmentally friendly", ECOS Paints are non-toxic and have no odor. Developed twenty five years ago with a unique formulation, our products were originally designed for people with multiple chemical sensitivities, asthma, allergies, and issues with everyday chemicals.

For over two decades, we have provided world class, high quality paints and relief from noxious chemicals to discerning individuals around the world. Today our customers also include people who are focused on the environment and sustainability; healthcare providers; mothers concerned about their baby's health, and companies seeking to protect the health of their employees, guests and visitors. Our paints are zero VOC and do not contain harmful solvents that off gas into the air. Safer for you, your family and the environment. (Exhibit P, www.ecospaints.net/mcs.html.)

- b. Proven Technology
 - 25 Years of Successful Use

- Award Winning
- Tested and Certified.

For twenty five years, ECOS and Air Pure Paints have been sought out by people with multiple chemical sensitivities, concerned pregnant mothers, the environmentally conscious, corporations committed to sustainability, and the general public who care. Now manufactured in the US, these products are available for discerning customers who are equally committed to the health of the environment. (Exhibit N, Print Ad.)

Count I Unsubstantiated Claims

- 8. In connection with the advertising, promotion, offering for sale, or sale of Lullaby and ECOS Paints, Respondent has represented, directly or indirectly, expressly or by implication, that:
 - a. Lullaby and ECOS Paints are VOC-free.
 - b. Lullaby and ECOS Paints will not emit any chemical or substance, including VOCs, that causes material harm to consumers, including sensitive populations such as babies, pregnant women, and allergy and asthma sufferers.
 - c. Lullaby and ECOS Paints have been tested and proven to be safe.
- 9. The representations set forth in Paragraph 8 were not substantiated at the time the representations were made.

Count II **Means and Instrumentalities**

10. Respondent has distributed promotional materials, including the statements and depictions contained in Exhibits A through Q to independent retailers. In so doing, Respondent has provided them with the means and instrumentalities for the commission of deceptive acts or practices.

| <u>Violat</u> | ions of Section 5 | | |
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| 11. The acts and practices of Respondent as deceptive acts or practices in or affecting Federal Trade Commission Act. | | | |
| THEREFORE , the Federal Trade Oissued this Complaint against Respondent. | Commission this | day of | , 201_, has |
| By the Commission. | | | |
| SEAL: | Donald S. Clark Secretary | | |