

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

**COMMISSIONERS: Maureen K. Ohlhausen, Acting Chairman
Terrell McSweeney**

In the Matter of

**YOLO Colorhouse, LLC,
a limited liability company.**

DOCKET NO. C-4649

COMPLAINT

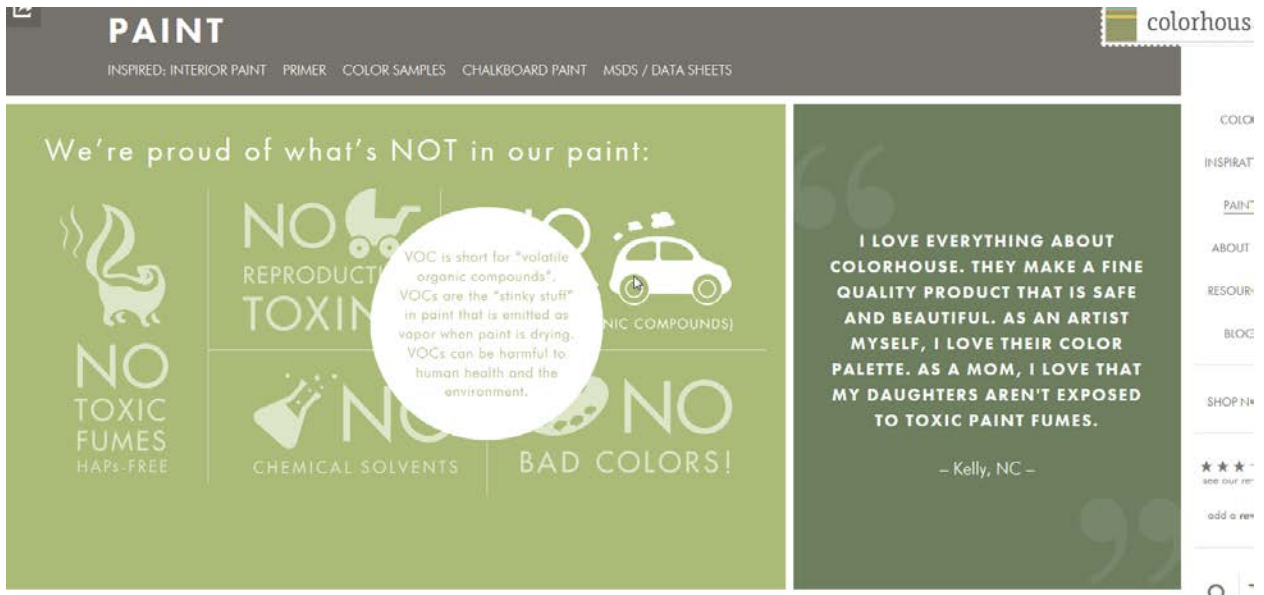
The Federal Trade Commission, having reason to believe that YOLO Colorhouse, LLC, a limited liability company, has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent YOLO Colorhouse, LLC (“YOLO”) is a limited liability company with its principal office or place of business at 519 NE Hancock St. # B, Portland, Oregon 97212.
2. Respondent has manufactured, advertised, labeled, offered for sale, sold, and distributed paint products to consumers, including Colorhouse 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.

YOLO’s Colorhouse Paints

4. Respondent distributes Colorhouse Paints directly to consumers through its showroom and website (<http://www.colorhousepaint.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 Colorhouse Paints to consumers, including the attached Exhibits A-B. These materials contain the following statements and depictions:
 - a. “Our products have NO VOCs, NO toxic fumes/HAPs-free, NO reproductive toxins, and No chemical solvents or other stinky stuff.”

- b. “We’re proud of what is not in our paint – NO VOCs. VOCs are the ‘stinky stuff’ in paint that is emitted as vapor when paint is drying. VOCs can be harmful to human health and the environment.”



(website material, Exhibit A)

- c. A video entitled “Paint for the People and the Planet,” showing a community of people, including a toddler, painting together and on each other. (Exhibit B)

Count I **Unsubstantiated Claims**

6. In connection with the advertising, promotion, offering for sale, or sale of Colorhouse Paints, Respondent has represented, directly or indirectly, expressly or by implication, that:
- Colorhouse Paints are VOC-free;
 - Colorhouse Paints are VOC-free during or immediately after painting;
 - Colorhouse Paints will not emit any chemical or substance, including VOCs, that causes material harm to consumers, including sensitive populations such as children; and
 - Colorhouse Paints will not emit any chemical or substance, including VOCs, during or immediately after painting, that causes material harm to consumers, including sensitive populations such as children.
7. The representations set forth in Paragraph 6 were not substantiated at the time the representations were made.

Count II
Means and Instrumentalities

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

Violations of Section 5

9. The acts and practices of Respondent as alleged in this complaint constitute unfair or 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 twenty-fourth day of April 2018, has issued this Complaint against Respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL: