

## **Analysis of Proposed Consent Order to Aid Public Comment** ***In the Matter of Federal-Mogul LLC, File No. 172-3102***

The Federal Trade Commission (“FTC” or “Commission”) has accepted, subject to final approval, an agreement containing a consent order with Federal-Mogul Motorparts LLC (“respondent”).

The proposed consent order (“order”) has been placed on the public record for 30 days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After 30 days, the Commission will again review the order and the comments received, and will decide whether it should withdraw the order or make it final.

This matter involves the respondent’s advertising for Wagner OE<sup>X</sup> brake pads. The proposed complaint alleges that Federal-Mogul violated Section 5(a) of the FTC Act by disseminating a series of false and unsubstantiated advertisements claiming that: (1) In an emergency, when a driver is trying to stop in the shortest distance possible, Wagner OE<sup>X</sup> brake pads will stop a pickup truck, SUV, or crossover up to 50 feet sooner than competing brake pads; and (2) In an emergency, when a driver is trying to stop in the shortest distance possible, Wagner OE<sup>X</sup> brake pads installed on a pickup truck, SUV, or crossover significantly reduce the risk of collisions compared to competing brake pads.

The order includes injunctive relief that prohibits these alleged violations and fences in similar and related conduct. The product coverage would apply to any Federal-Mogul-branded or marketed aftermarket brake pads, including Wagner OE<sup>X</sup> aftermarket brake pads, as well as any third-party-branded aftermarket brake pads for which the respondent provides marketing materials.

**Part I** prohibits the respondent from making any representation about the braking benefits, performance, or efficacy of any covered product, including that such product: (1) will stop a vehicle significantly sooner than competing brake pads; and (2) reduces the risk of collisions compared to competing brake pads, unless the representation is non-misleading, and, at the time of making such representation, the respondent possesses and relies upon competent and reliable scientific evidence that is sufficient in quality and quantity based on standards generally accepted by experts in the field of automotive braking, when considered in light of the entire body of relevant and reliable scientific evidence, to substantiate that the representation is true.

**Part II** requires the respondent to submit a signed acknowledgment that respondent received the order.

**Part III** requires the respondent to file compliance reports with the Commission, and

to notify the Commission of bankruptcy filings or changes in corporate structure that might affect compliance obligations. **Part IV** contains recordkeeping requirements for accounting records, personnel records, consumer correspondence, advertising and marketing materials, and claim substantiation, as well as all records necessary to demonstrate compliance or non-compliance with the order. **Part V** contains other requirements related to the Commission's monitoring of the respondent's order compliance. **Part VI** provides the effective dates of the order, including that, with exceptions, the order will terminate in 20 years.

The purpose of this analysis is to facilitate public comment on the order, and it is not intended to constitute an official interpretation of the complaint or order, or to modify the order's terms in any way.