

FTC news

Federal Trade Commission Washington, D.C. 20580 (202) 326-2180

FOR RELEASE: OCTOBER 28, 1993

HAIR SPRAY MAKER AGREES TO SETTLE FTC CHARGES OF UNSUBSTANTIATED ENVIRONMENTAL CLAIMS

Redmond Products, Inc. has agreed to settle Federal Trade Commission charges it they made deceptive and unsubstantiated environmental claims in the labelling and advertising of its "Aussie" and "New Zealand Paradise" aerosol hair sprays. Redmond's advertisements and labels represented that the products do not contain ingredients that can damage the environment, when, in fact, the products contain chemicals that can contribute to the formation of smog, the FTC alleged.

Under the proposed settlement agreement, Redmond would be prohibited from making unsubstantiated representations regarding the environmental benefits of its products in the future.

Redmond Products is based in Chanhassen, Minnesota, and sells hair-care products under a variety of brand names.

According to the FTC complaint detailing the charges, Redmond labelled its products, which contain the volatile organic compounds (VOCs) propane, butane and alcohol, with the claims "ENVIRONMENTAL FORMULA" and "CONTAINS NATURAL PROPELLANTS AND NO FLUOROCARBONS." In product advertising, Redmond also stated: "Being Considerate of Your Environment Doesn't Mean Giving Up Sprays and Gels." According to the complaint, through these statements, Redmond represented that its products do not contain any ingredients that harm or damage the environment. The FTC alleges that Redmond did not possess and rely upon a reasonable basis to substantiate this representation.

According to the Environmental Protection Agency (EPA), such common VOCs such as propane, butane, isobutane, and alcohol contribute to the formation of ground-level ozone, or smog, when they are released into the air. Although emissions from cars and factories are the major source of VOC releases to the environment, some consumer products also contribute to the problem. Products such as household cleaning products, floor polishes,

(Redmond Products--10/28/93)

charcoal lighter fluid, windshield washer fluid, and hair styling products -- whether in aerosol cans or spray pumps -- may contain VOCs. Unlike VOCs, chemicals known as "fluorocarbons" or "chlorofluorocarbons" (CFCs) deplete the earth's protective upper ozone layer. These chemicals were banned in 1978 by EPA for use as propellants in nearly all consumer aerosol products, including hair sprays.

The proposed consent agreement to settle the charges was announced today for public comment. One provision in the settlement, which would apply to any product containing VOCs that Redmond sells, would prohibit unsubstantiated representations, through the use of terms such as "environmentally formulated," that the product will not harm the atmosphere or environment. A second provision which would apply to any cosmetic product Redmond sells, would prohibit any unsubstantiated representation that such product offers any environmental benefit.

Finally, the settlement contains provisions that would assist the FTC in monitoring Redmond's compliance with the settlement.

The Commission vote to approve the proposed consent agreement for public comment was 5-0.

The proposed consent agreement will be published in the Federal Register shortly and will be subject to public comment for 60 days, after which the Commission will decide whether to make it final. Comments should be addressed to the FTC, Office of the Secretary, 6th Street and Pennsylvania Avenue, N.W., Washington, D.C. 20580.

NOTE: A consent agreement is for settlement purposes only and does not constitute an admission of a law violation. When the Commission issues a consent order on a final basis, it carries the force of law with respect to future actions. Each violation of such an order may result in a civil penalty of \$10,000.

Copies of the complaint, proposed consent agreement, and an analysis of the agreement to assist the public in commenting, are available from the FTC's Public Reference Branch, Room 130, at the above address; 202-326-2222; TTY for the hearing impaired 202-326-2502.

#

MEDIA CONTACT: Brenda Mack, Office of Public Affairs
202-326-2182

STAFF CONTACT: Michael Dershowitz, Bureau of Consumer
Protection, 202-326-3158
or
Kevin Bank, 202-326-2675
(FTC File No. 912 3253) (redmond)

Analysis of Proposed Consent Order
to Aid Public Comment

The Federal Trade Commission has accepted an agreement, subject to final approval, to a proposed consent order from respondents Redmond Products, Inc., a Minnesota corporation and Thomas M. Redmond, individually and as an officer of the corporation.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and comments received and will decide whether it should withdraw from the agreement and take other appropriate action, or make final the agreement's proposed order.

This matter concerns the labeling and advertising of two of respondents' aerosol hair spray products - "Aussie Mega Styling Spray" and "New Zealand Hair Paradise Zapset Hair Spray." The Commission's complaint in this matter charges that respondents made advertising claims that these products are "environmentally formulated" and labeling claims that the products have an "environmental formula" that "contains natural propellants and no fluorocarbons." The complaint alleges that through such claims, respondents made unsubstantiated representations that there are no ingredients in the hair sprays which are damaging to the environment and that because the hair sprays contain natural propellants and no fluorocarbons, they do not harm the environment. In fact, Redmond's hair spray products contain the volatile organic compounds propane, butane and SD alcohol 40, chemicals that under many atmospheric conditions contribute to the formation of ground level ozone, a major component of smog.

The proposed consent order contains provisions designed to remedy the violations charged and to prevent the respondents from engaging in similar acts and practices in the future.

The term "volatile organic compound" (VOC) is defined in the consent order in accordance with the definition adopted by the Environmental Protection Agency ("EPA") in a February 3, 1992, rulemaking. To assist the public and the industry in understanding the coverage of the order, those compounds that the EPA expressly excluded from the definition of VOC at the time the definition was promulgated are listed in the order. Because EPA could in the future modify its definition based on evolving scientific evidence, the term VOC as used in the order will vary depending upon EPA's definition of the term. Those compounds that EPA may decide should be excluded from the definition of VOC

because of negligible photochemical reactivity will thus be excluded under the consent order. Likewise any compounds that EPA may decide should be defined as VOCs will be covered by the order.

Part I of the proposed order requires respondents to cease and desist from representing that any product containing volatile organic compounds is "environmentally formulated" or has an "environmental formula" containing "natural propellants and no fluorocarbons," or through the use of any other term or expression, that any such product will not harm the atmosphere or the environment, unless respondents possess competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

Part II of the proposed order provides that if the respondents represent in advertising or labeling that any cosmetic product offers any environmental benefit, they must have competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

The proposed order also requires respondents to maintain materials relied upon to substantiate claims covered by the order, to distribute copies of the order to certain company officials and employees, to notify the Commission of any changes in corporate structure that might affect compliance with the order, to notify the Commission of any changes in the business or employment of the named individual respondent, and to file one or more reports detailing compliance with the order.

The purpose of the analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

Being Considerate

912 3253
B147086

Of Your Environment Doesn't Mean Giving Up Sprays And Gels



Environmentally Formulated



**What you should know about
AUSSIE MEGA STYLING SPRAY**

A sophisticated salon hair spray with an advanced environmental formula is made with natural ingredients from nature and scientific natural propellants and no fluorocarbons. AUSSIE MEGA STYLING SPRAYS concentrate to last, holding today's new hairstyles in place against wind. This water soluble formula washes and brushes out easily while containing ingredients to prevent flyaway hair and protect against discoloration.

SALON DIRECTIONS

Hold upright 8 to 12 inches from hair and spray without respraying use damp.

WARNING: FLAMMABLE
CONTAINS FLAMMABLE. AVOID FIRE
DURING USE AND UNTIL
COMPLETELY DRY. Avoid spraying in
high pressure. Do not puncture or
use at temperature above 120
degrees Fahrenheit. Use only as directed. In-
tentionally concentrating and
use can be harmful or fatal. KEEP
FROM CHILDREN

INGREDIENTS

1,4-Butane, Propane, Vinyl
Vinyl Neodecanoate Copoly-
mer, Panol, Lauramide DEA, EX-
TRACT OF PAW FLOWER, Fragrance,
Glycerin, PVP, Ethyl Ester of Hyal-
uronic acid, Panthenol, PPG 2 Salts,
Water

