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UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

In the Matter of)
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)
FILTRATION MANUFACTURING, INC.,)
 a corporation, and) DOCKET NO. C-3702
)
GARY L. SAVELL,)
HORACE R. ALLEN, and)
BRANDON R. CLAUSEN,)
 individually and as officers)
 of said corporation.)
)
)
)
)
)

COMPLAINT

The Federal Trade Commission, having reason to believe that Filtration Manufacturing, Inc., a corporation, and Gary L. Savell, Horace R. Allen, and Brandon R. Clausen, individually and as officers of said corporation ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH ONE: Respondent Filtration Manufacturing, Inc., is an Alabama corporation with its principal office or place of business at 1110 Montlimar Place, Suite 290, Mobile, Alabama 36609.

Respondent Gary L. Savell is the President, Chief Executive Officer, and an owner and director of the corporate respondent. His principal office or place of business is the same as that of the corporate respondent. Individually or in concert with others, he formulates, directs, and controls the acts and practices of the corporate respondent, including the acts and practices alleged in this complaint.

Respondent Horace R. Allen is the Secretary, Treasurer, and an owner and director of the corporate respondent. His principal office or place of business is the same as that of the corporate respondent. Individually or in concert with others, he formulates,

directs, and controls the acts and practices of the corporate respondent, including the acts and practices alleged in this complaint.

Respondent Brandon R. Clausen is the Vice President, and an owner and director of the corporate respondent. His principal office or place of business is the same as that of the corporate respondent. Individually or in concert with others, he formulates, directs, and controls the acts and practices of the corporate respondent, including the acts and practices alleged in this complaint.

PARAGRAPH TWO: Respondents have manufactured, labeled, advertised, promoted, offered for sale, sold, and distributed the "Allergy 2000" air filters.

PARAGRAPH THREE: The acts and practices of respondents alleged in this complaint have been in or affecting commerce as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PARAGRAPH FOUR: Respondents have disseminated or have caused to be disseminated advertisements and promotional materials for the Allergy 2000 air filters, including but not necessarily limited to the attached Exhibits A through G. These advertisements contain the following statements and depictions:

I. *Prescribe the ultimate in care for your patient's indoor air today!*

* * *

Clearly improving the quality of air your patients breathe can be an important step to improving their overall health.

How? By prescribing the Allergy 2000 air conditioning filter. This super high efficiency four-stage electrostatic air filter with advanced state-of-the-art materials and a computerized design to provide the perfect mixture of air filtration and air flow.

Studies by independent labs have confirmed that the Allergy 2000 gathers an exceptionally wide range of indoor contaminants, including microscopic germ-carrying particles of 5 microns or less. By contrast, most commercially purchased fiberglass filters are only 7% efficient in stopping dirt, dust,

pollen, etc. passing through it, according to ASHRAE.

The extremely low resistance of the Allergy 2000 means less strain on the air conditioning unit, which means higher efficiency and energy savings—so it can literally pay for itself! (Exhibit A.)

- A. *Isn't it time you stopped leaving your family's health up in the air?*

Introducing the amazing Allergy 2000. The last air conditioning filter you'll ever buy.

** * **

Superior arrestance capability, 83% average with 85% peak. Superior loading capacity, 150 grams holding capacity.

** * **

The ultimate care for your air!

The Allergy 2000 represents the absolute state-of-the-art in air conditioning filter technology, providing the perfect mixture of air filtration and air flow. Scientific studies have shown that it gathers an exceptionally wide range of indoor contaminants, including microscopic germ-carrying particles. In fact, the ALLERGY 2000 can be paid for by some health insurance when prescribed by a doctor! Considering all the contaminants floating around in the air, installing an ALLERGY 2000 may be the best thing you will ever do for the health of you and your family. (Exhibit B.)

- B. *Traps allergy causing contaminants: Dust, Pollen, Mold Spores, Pet Dander & Smoke.*

** * **

Traps more particles while maintaining greater air flow.

** * **

*For a cleaner, healthier indoor environment!
(Exhibit C.)*

C. *The Ultimate Care for your indoor air!*

** * **

Among the lowest initial resistance in the industry, .13, meaning less strain on the unit, higher efficiency and energy savings.

** * **

Your indoor pollution solution! (Exhibit D.)

D. *The cold and flu season, traditionally only associated with the winter months (when people are forced to stay indoors), has gradually expanded to almost year-round. Why? One key factor may well be that buildings are now much more tightly sealed and energy efficient. They just don't "breathe" like they used to, and the air in them is more polluted than ever.*

What can you do to help? Plenty. You can treat these illnesses before they become illnesses. You can treat the cause instead of the effects. You can treat the air.

*How? By prescribing the Allergy 2000 air filter for your patients suffering from sinus or respiratory ailments. The Allergy 2000's unique design and construction removes many allergy and disease-causing contaminants from the air before they're inhaled. The result—a cleaner, healthier indoor environment.
(Exhibit E.)*

E. *Constructed of durable space-age materials, ALLERGY 2000's unique design uses static electricity to attract and hold indoor pollutants and germ-carrying particles of 5 microns or less.*

** * **

Superior arrestance capabilities, 85% peak.

*Superior loading capacity, 150 grams psi.
(Exhibit F.)*

F. *DID YOU KNOW . . .*

- That common house dust is more dangerous than outside dust? (Environmental Protection Agency.)*
- That indoor air is found to be up to 70 times more polluted than outdoor air?*

- That 50% of all illnesses are either caused or aggravated by polluted indoor air? (American College of Allergists.) (Exhibit G.)*

PARAGRAPH FIVE: Through the use of the trade name, Allergy 2000, and the statements and depictions contained in the advertisements and promotional materials referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisements and promotional materials attached as Exhibits A through G, respondents have represented, directly or by implication, that:

- A. Use of the Allergy 2000 filter will substantially reduce the incidence of allergies caused by indoor allergens under household living conditions.
- B. Use of the Allergy 2000 filter will substantially reduce the amount of disease-causing germs in the air people breathe under household living conditions.
- C. Use of the Allergy 2000 filter will substantially reduce the incidence of disease caused by germs in the air people breathe under household living conditions.
- D. People living in homes using the Allergy 2000 air filter will be healthier and have fewer illnesses than they would if a conventional filter were used.
- E. The Allergy 2000 air filter removes substantially all of the airborne contaminants, including allergens, from the air people breathe under household living conditions.

- F. Replacement of conventional air filters with the Allergy 2000 will result in lower utility bills for households.

PARAGRAPH SIX: Through the use of the statements and depictions contained in the advertisements and promotional materials referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisements and promotional materials attached as Exhibits A through G, respondents have represented, directly or by implication, that at the time they made the representations set forth in PARAGRAPH FIVE, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PARAGRAPH SEVEN: In truth and in fact, at the time they made the representations set forth in PARAGRAPH FIVE, respondents did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representation set forth in PARAGRAPH SIX was, and is, false and misleading.

PARAGRAPH EIGHT: The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices and the making of false advertisements in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this sixth day of January, 1997, has issued this complaint against respondents.

By the Commission.

Donald S. Clark
Secretary

[Exhibits A-E attached to paper copies of complaint, but not available in electronic format]