

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

COMMISSIONERS: Jon Leibowitz, Chairman
William E. Kovacic
J. Thomas Rosch
Edith Ramirez
Julie Brill

In the Matter of

ORECK CORPORATION,
a corporation.

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that Oreck Corporation, a corporation (“respondent”), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, a

5. The Oreck Proshield Plus is a portable room air cleaner. Containing an electrostatic precipitator, the Oreck Proshield Plus uses a process called electrostatic attraction to trap airborne particles. Respondent promotes the Oreck ProShield Plus as effective, through normal use, in killing virtually all bacteria, viruses, germs, mold, and allergens that exist in the air of an average-sized household room.

6. Respondent has disseminated or has caused to be disseminated advertisements for the Oreck Halo and Oreck ProShield Plus, including but not necessarily limited to the attached Exhibits A through N. These advertisements

Help stop the flu on virtually any surface and in the air in your home.

Captures Viruses

The NEW Oreck ProShield™ Plus Air Purifier with Helios Shield™ can capture and destroy many airborne viruses like the flu.

You can do something about the air in your home. Twice every hour, the new Oreck ProShield Plus cleans and re-circulates the air in a 12' x 18' room. In in-home testing, the ProShield helped deliver up to a 99% reduction in airborne particles down to .1 microns.*

....

Now you and your family can enjoy a healthier clean. This is the only vacuum in the world that uses powerful UV-C light to kill many of the germs that could be living on your floors. UV-C technology is not new. It's used to sanitize hospital operating rooms and to purify drinking water supplies. See for yourself just how effective it is and what a fantastic job it does on all types of floor surfaces.*”

[The advertisement contains the following statement in small print: “*Results may vary. Extent of killing on surfaces depends on microorganism exposure time. The Oreck Halo vacuum cleaner is not intended for use in the cure, mitigation, treatment or prevention of any disease or medical condition, including asthma or allergies.”]

- C. Oreck Halo 30-minute Infomercial (Exhibit C, transcript, and Exhibit D, DVD containing ad)

[Announcer]: “Your floors look clean but are they really...even if it looks clean there can be germs, mold, bacteria, viruses, dust mite and flea eggs living right under your feet. Tracked in on your shoes or carried in by your pet. Did you know that you can find over 100,000 dust mites on one square yard of carpet and dust mites have been linked to indoor allergies and asthma. Plus there can be up to 2,500 bacteria, a common cause of infections on just one square inch of tile. But it gets worse! You could find up to 200,000 bacteria on just one square inch of carpet.”

....

[Announcer]: “Ordinary vacuums pick up dirt, but may leave germs behind and harsh chemicals like bleach can ruin carpet. But now you can kill and reduce many germs and bacteria on all your floors, while you vacuum. Introducing the revolutionary Oreck Halo-the only germ-killing UVC vacuum!”

[The advertisement depicts a woman quickly vacuuming up all simulated
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The advertisement then calls out from the chart the times relating to the flu virus and e. coli bacteria.]

....

[Stan Kikkert]: "I'm Stan Kikkert. In carpets, we can commonly find staphylococcus. Basically we did a simple experiment. I applied staphylococcus to the surface of various carpet samples. Some of those samples were vacuumed two passes from the Oreck Halo vac. Some received four passes, some received six passes. In addition, I did this experiment in 0.00.0000 0.0000 cm0.00 df0000.0100 0ET1.0 Tly

[On-screen depiction]

[On screen in above depiction in small white print at the bottom of the screen: “53% to 88% percent reduction in bacterial load was observed in laboratory testing.”]

.....

[Dr. Charles Gerba]: “To assess the effectiveness of the Oreck Halo, we looked at the numbers of bacteria in five different households. And I want to show you the results, because they’re rather dramatic. Let me start with the Rosser home, where you can see the number of bacteria on the baby’s carpeting before and after

[Woman's voice; close-up of two simulated Petri dishes-before and after-"Harber Family" heading]: "I can't believe how much the Oreck Halo eliminated, and how, just by using the Halo for the thirty days. . . I just couldn't be happier with the results."

[Dr. Charles Gerba]: "Let's move on to the Squier household. You can see the large numbers of bacteria here, and in this case we reduced the number of bacteria by more than 99.9%."

[Consumer endorser]: "The bacteria was almost gone, so I know that if I continued to use the Oreck Halo, it's gonna remove more bacteria each time it's being used."

[Dr. Charles Gerba]: "Let's move on to the Coble home-the hardwood bedroom floors, you can see more than a 90% reduction."

[Consumer endorser]: "Couldn't even express the night and day results."

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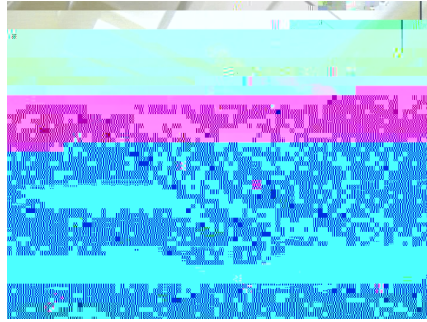
D. Oreck Halo 60-second Television Commercial (Exhibit E, transcript, and Exhibit F, DVD containing ad)

[Announcer]: "Chances are allergens and illness triggers are in your home...living right under your feet. Dirt and debris you can see and germs, bacteria and dust mites that you can't see. So how do you get from here..."



[Depiction of simulated germs, bacteria and dust mite eggs deep below the surface of a carpet]

to here?"



[Depiction of woman quickly vacuuming up all simulated mold, bacteria, germs and viruses]

[On screen in above depiction in small white print at the bottom of the screen: “Simulation only. Results may vary. Extent of killing on surfaces depends on microorganism exposure time. Not intended to cure, treat or prevent any disease or medical condition. Do not attempt to look into Oreck Halo light. See Owner’s Manual for safety and other instructions.”]

[Announcer]: “With the incredible germ killing vacuum so revolutionary it could only be an Oreck.

....

The secret is the patented Halo Light chamber that creates a powerful germicidal wavelength of UV-C light that can kill and reduce up to 99.9% of germs and bacteria helping you give your floors a healthier clean.”

[The advertisement depicts the Oreck Halo’s UV-C light killing germs. On the screen, the following statement appears in small white print superimposed at the bottom of the screen for a few seconds: “Results may vary. Extent of killing on surfaces depends on microorganism exposure time. The Oreck Halo vacuum cleaner is not intended to cure, treat or prevent any disease or medical condition, including asthma or allergies.”]

[Announcer]: “. . . and learn how the Oreck Halo can help you give your home a healthier clean.”

[The advertisement depicts the Oreck Halo eliminating all germs below the vacuum]

E. Oreck Halo Print Advertisement (Exhibit G)

“Goodbye bacteria, viruses, mold, and germs. Hello barefoot clean!

Introducing the powerful new Oreck Halo.™ The only UV-C germ-killing
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harmful things that may be in it. I know how harmful they can be because my health was severely affected for several years by indoor air pollution. So when the folks at Oreck asked me to host this show I told them I wanted to see proof that the ProShield Plus worked in real homes for real families, and not just in a laboratory. Their response? No problem.”

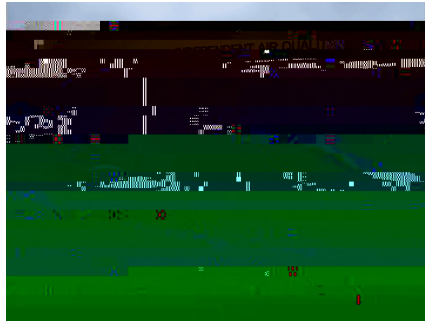
.....

[Tony Frassrand]: “Well, our independent air quality specialist did an initial test in the Vaccher’s home and found that they had an incredibly high number of particles in their air. We then turned on the Oreck ProShield Plus that was placed in the center of the living room, and the ProShield Plus got to work cleaning the air. Our independent air quality specialist retested the air over a short period of





new ProShield Plus helped deliver up to a 99% reduction in airborne particles down to .1 microns.”

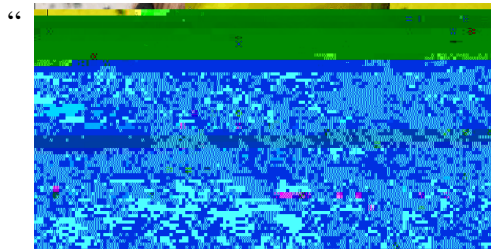


[On-screen depiction of graph showing 99% reduction in airborne particles]

[On screen in above depiction in small white print at the bottom of the screen: “High setting used for entire test period of time in a sealed room. Percentage reduction includes natural deposition and particle size measured down to 0.1 microns.”]

[Announcer]: “. . . Try it risk free for 30 days. Keep it and enjoy the freedom of NO payment and NO interest for 1 year. Call now and fight the flu in your home air, with the new Oreck ProShield Plus air purifier.”

J. Oreck ProShield Plus Print Advertisement Provided to Franchisees (Exhibit N)



Introducing the New Oreck ProShield™ + Air Purifier. In-home testing shows the ProShield helped deliver up to 99% reduction in airborne particles down to .1 microns[†].

Can capture and destroy many airborne allergens and viruses like the flu!



[The advertisement contains the following statement in small print: “High setting used for entire test period of time in a sealed room. Percent reduction includes natural deposition and particle size measured down to .1 micron.”]

7. Through the means described in Paragraph 6, respondent has represented, expressly or by implication, that:

- A. The Oreck Halo substantially reduces the risk of or prevents the flu;
- B. The Oreck Halo substantially reduces the risk of or prevents other illnesses or ailments caused by bacteria, viruses, molds, and allergens, such as the common cold, diarrhea, upset stomachs, asthma, and allergy symptoms;
- C. The Oreck Halo will eliminate all or virtually all common germs and allergens found on the floors in users’ homes;
- D. The Oreck Halo’s UV-C light is effective against germs, bacteria, dust mites, mold and viruses embedded in carpets;
- E. The Oreck ProShield Plus substantially reduces the risk of or prevents the flu;
- F. The Oreck ProShield Plus substantially reduces the risk of or prevents

