UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS:

Edith Ramirez, Chairwoman Julie Brill Maureen K. Ohlhausen Joshua D. Wright

In the Matter of

N.E.W. PLASTICS CORP., a corporation, d/b/a RENEW PLASTICS Docket No. C-4449

COMPLAINT

The Federal Trade Commission, having reason to believe that N.E.W. Plastics Corp., 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, alleges:

1. Respondent N.E.W. Plastics Corp., also doing business as Renew Plastics, is a Wisconsin corporation with its principal office or place of business at 112 Fourth Street, Luxemburg, Wisconsin 54217.

2. Respondent has manufactured, advertised, offered for sale, sold, and distributed Evolve plastic lumber products ("Evolve") and Trimax plastic lumber products ("Trimax") to independent distributors and retailers located throughout the United States. Respondent advertises Evolve and Trimax through promotional materials, including brochures, DVDs, and the websites <u>http://www.renewplastics.com</u> and <u>http://www.trimaxbp.com</u>. Respondent's distributors and retailers have disseminated, or have caused the dissemination of, the advertising claims in these promotional materials to end-use consumers. In addition, Respondent has directly disseminated the advertising claims in these promotional materials to end-use consumers through its websites.

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.

4. Since at least March 2011, Respondent has disseminated to independent distributors, retailers, or end-use consumers, or has caused to be disseminated to end-use consumers, the

6. During the period from March 2011 to March 2013, the recycled plastic in Trimax, on average, contained less than 12% post-consumer recycled content.

7. By representing that a product is recyclable, respondent implies to reasonable consumers that facilities that will recycle the item are available to a substantial majority of consumers or communities where the item is sold.

8. Local recycling centers do not recycle Evolve and Trimax due to their non-plastic content and size and weight greater than that of household items typically recycled in such centers. The cost to consumers of shipping Evolve and Trimax to Respondent's factory for re-use in the manufacturing process generally exceeds the amount Respondent will pay consumers for returning the item. Facilities that will recycle Evolve and Trimax are thus not available to a substantial majority of consumers or communities where these products are sold.

Count I False or Misleading Claims

9. Through the means described in Paragraph 4, Respondent has represented, directly or indirectly, expressly or by implication, that:

- A. Evolve generally contains over 90% recycled plastic;
- B. Evolve is at least 90% recycled plastic;
- C. Evolve is 90% recycled plastic;
- D. The recycled plastic in Trimax is all or virtually all post-consumer recycled content such as milk jugs or detergent bottles; and
- E. Evolve and Trimax are recyclable at recycling facilities available to a substantial majority of consumers or communities where N.E.W. sells them.
- 10. In truth and in fact:
 - A. From September 15, 2012 to March 17, 2013, Evolve did not generally contain over 90% recycled plastic;
 - B. From September 15, 2012 to March 17, 2013, Evolve was not at least 90% recycled plastic;
 - C. From September 15, 2012 to March 17, 2013, Evolve was not 90% recycled plastic;
 - D. The recycled plastic in Trimax is not all or virtually all post-consumer recycled content such as milk jugs or detergent bottles; and
 - E. Evolve and Trimax are not recyclable at recycling facilities available to a substantial

majority of consumers or communities where N.E.W. sells them.

11. Therefore, the representations set forth in Paragraph 9 are false or misleading.

Count II Unsubstantiated Claims

12. Through the means described in Paragraph 4, Respondent has represented, expressly or by implication, that it possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 9 at the time the representations were made.

13. In truth and in fact, Respondent did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 9 at the time the representations were made. Therefore, the representation set forth in Paragraph 12 was, and is, false or misleading.

Count III Means and Instrumentalities

14. In connection with the advertising, promotion, offering for sale, or sale of Evolve and Trimax, Respondent has distributed promotional materials making the representations set forth in Paragraph 4 to retailers and independent distributors. In so doing, Respondent has provided them with the means and instrumentalities for the commission of deceptive acts or practices.

Violations of Section 5

15. Respondent's false or misleading representations constitute deceptive acts or practices in or affecting commerce, in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

THEREFORE, the Federal Trade Commission this third day of April, 2014, has issued this Complaint against Respondent.

By the Commission.

Donald S. Clark Secretary

SEAL: