UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of

BLOCK DIVISION, INC., a corporation.

FILE NO. 1723052

AGREEMENT CONTAINING CONSENT ORDER

The Federal Trade Commission ("Commission") has conducted an investigation of certain acts and practices of Block Division, Inc., ("Proposed Respondent"). The Commission's Bureau of Consumer Protection ("BCP") has prepared a draft of an administrative Complaint ("draft Complaint"). BCP and Proposed Respondent, through its duly authorized officers, enter into this Agreement Containing Consent Order ("Consent Agreement") to resolve the allegations in the attached draft Complaint through a proposed Decision and Order to present to the Commission, which is also attached and made a part of this Consent Agreement.

IT IS HEREBY AGREED by and between Proposed Respondent and BCP, that:

1. Proposed Respondent is a Texas corporation with its principal place of business at 618 Front St., Wichita Falls, TX 76301.

2. Proposed Respondent neither admits nor denies any of the allegations in the Complaint, except as specifically stated in the Decision and Order. Only for purposes of this action, Proposed Respondent admits the facts necessary to establish jurisdiction.

3. Proposed Respondent waives:

a. Any further procedural steps;

b. The requirement that the Commission's Decision contain a statement of findings of fact and conclusions of law; and

c. All rights to seek judicial review or otherwise to challenge or contest the validity of the Decision and Order issued pursuant to this Consent Agreement.

4. This Consent Agreement will not become part of the public record of the proceeding unless and until it is accepted by the Commission. If the Commission accepts this Consent Agreement, it, together with the draft Complaint, will be placed on the public record for 30 days and information about them publicly released. Acceptance does not constitute final approval, but it serves as the basis for further actions leading to final disposition of the matter. Thereafter, the Commission may either withdraw its acceptance of this Consent Agreement and so notify Proposed Respondent, in which event the Commission will take such action as it may consider appropriate, or issue and serve its Complaint (in such form as the circumstances may require) and decision in disposition of the proceeding, which may include an Order.

BLOCK DIVISION, INC.

FEDERAL TRADE COMMISSION

Matthew White Vice President of Sales and Marketing Block Division, Inc.

Date:_____

Julia Solomon Ensor Attorney, Bureau of Consumer Protection

APPROVED:

Laura Koss Assistant Director Division of Enforcement

Staci C. Pirnar Bellinger & Suberg, LLP Attorney for Proposed Respondent

Date:_____

James A. Kohm Associate Director Division of Enforcement

Jessica L. Rich Director Bureau of Consumer Protection

Date:_____

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COMMISSIONERS:	Maureen K. Ohlhausen, Acting Chairman Terrell McSweeny
In the Matter of))) Docket No.

- 9. When the representation or sales practice targets a specific audience, such as children, the elderly, or the terminally ill, "ordinary consumers" includes reasonable members of that group.
- B. "Made in the United States" shall mean any representation, express or implied, that a product or service, or a specified component thereof, is of U.S.-origin, including, but not limited to, a representation that such product or service is "made," "manufactured," "built," or "produced" in the United States, or any other U.S.-origin claim.
- C. "Respondent" means Block Division, Inc.

Provisions

I. PROHIBITED MISREPRESENTATIONS

IT IS ORDERED that Respondent, and Respondent's officers, agents, employees, and attorneys, and all other persons in active concert or participation with any of them, who receive actual notice of this Order, whether acting directly or indirectly, in connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of any pulley blocks, or any other product or service, must not make any representation, expressly or by implication, that a product or service is Made in the United States unless:

- A. The final assembly or processing of the product occurs in the United States, all significant processing that goes into the product occurs in the United States, and all or virtually all ingredients or components of the product are made and sourced in the United States; or
- B. A Clear and Conspicuous qualification appears immed 7fi2-i(C)-7(o)- im Co 2p--4(al)-6(- i

III. ACKNOWLEDGMENTS OF THE ORDER

IT IS FURTHER ORDERED

entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.

- C. Respondent must submit notice of the filing of any bankruptcy petition, insolvency proceeding, or similar proceeding by or against Respondent within 14 days of its filing.
- D. Any submission to the Commission required by this Order to be sworn under penalty of perjury must be true and accurate and comply with 28 U.S.C. § 1746, such as by concluding: "I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on: _____" and supplying the date, signatory's full name, title (if applicable), and signature.
- E. Unless otherwise directed by a Commission representative in writing, all

B.