



or practices in violation of Section 460.22 of the Trade Regulation Rule Concerning the Labeling
- , in the
marketing of their non-insulation products.

4. The Complaint states a claim upon which relief may be granted against Defendants under Sections 5(§§ 45(a), 53(b), and 57b.

5. The acts and practices of Defendant were, and are, in or affecting commerce, as defined in Section 4 of the FTC Act, 15 U.S.C. § 44. The record demonstrates that, absent the issuance of a permanent injunction, Defendants

DEFINITIONS

For the purpose of this Order, the following definitions apply:

Defendants means the Individual Defendant and the Corporate Defendant, individually, collectively, or in any combination.

Corporate Defendant means Superior Products International II, Inc., and its successors and assigns.

Individual Defendant means Joseph E. Pritchett.

Non-Insulation Products means products Defendants create that are not insulation but marketed, in whole or in part, to reduce energy use.

ORDER

Insulation Products, are permanently restrained and enjoined from making any representation, expressly or by implication:

- A. that Non-Insulation Products are equivalent to or substantially similar to the R-value of any other product or system, or provide the equivalent of adding insulation with any specific R-value; or
- B. Non-Insulation Products will provide energy savings, or any particular amount of energy savings,

unless the representation is non-misleading, and, at the time such representation is made, Defendants possess re

on any delinquent amount arising out of this Order, in accordance with 31 U.S.C. § 7701.

- B. All money received by the Commission pursuant to this Order may be deposited into a fund administered by the Commission or its designee to be used for consumer relief _____ order, relating to certain sales of Super Therm® from May 13, 2020, through the date of this Order, and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after such redress is completed, the Commission shall so-notify the Court and Defendants. Defendants may seek a return of remaining assets at that time.

VII. CUSTOMER INFORMATION

THE COURT FURTHER ORDERS that Defendants, Defendants _____, 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, are permanently restrained and enjoined from directly or indirectly failing to provide sufficient customer information to enable the Commission to efficiently administer consumer redress. Defendants represent that they have provided this redress information to the Commission. If a representative of the Commission requests in writing any information related to redress, Defendants must provide it, in the form prescribed by the Commission, within 21 days.

VIII. NOTICE TO MANUFACTURERS, RESELLERS, AND DISTRIBUTORS

THE COURT FURTHER ORDERS that within 30 days of entry of this Order, Defendants shall send by electronic mail and certified U.S. mail, with return receipt, a copy of this Order and

the notice attached hereto as Attachment A to each ~~release (tt) 3 of 3 In 1 m f 0 8 () J T U 2 2 7 9 2 re W n T Q~~

2. Additionally, each Individual Defendant must: (a) identify all telephone numbers and all physical, postal, email and Internet addresses, including all residences; (b) identify all business activities, including any business for which such Defendant performs services, whether as an employee or otherwise, and any entity in which such Defendant has any ownership interest; and (c) describe in detail such Defendant's involvement in each such business, including title, role, responsibilities, participation, authority, control, and any ownership.
- B. For 5 years after entry of this Order, each Defendant must submit a compliance notice, sworn under penalty of perjury, within 21 days of any change in the following:
1. Each Defendant must report any change in: (a) any designated point of contact; or (b) the structure of any Corporate Defendant or any entity that Defendant has any ownership interest in or controls, directly or indirectly, that may affect compliance obligations arising under this Order, including: creation, merger, sale, or dissolution of the entity or any subsidiary, parent, or affiliate that engages in any acts or practices subject to this Order.
 2. Additionally, each Individual Defendant must report any change in: (a) name, including aliases or fictitious names, or residence address; or (b) title or role in any business activity, including any business for which such Defendant performs services, whether as an employee or otherwise, and any entity in which such Defendant has any ownership interest, and identify the name, physical address, and any Internet address of the business or entity.

C. Each Defendant must submit to the Commission notice of the filing of any bankruptcy

- B. Personnel records showing, for each person providing services, whether as an employee or otherwise, that person s: name; addresses; telephone numbers; job title or position; dates of service; and (if applicable) the reason for termination;
- C. Records of all consumer complaints and refund requests, whether received directly or indirectly, such as through a third party, and any response;
- D.

ATTACHMENT A
NOTICE TO DISTRIBUTORS

[To be printed on Superior Products International II, Inc. letterhead and sent by email and certified mail]

[Date]

[Name and address of recipient]

Re: *Federal Trade Commission v. Superior Products International II, Inc.*, No. 2:20-cv-2366-HLT-GEB (D. Kan.)

Dear [Recipient]:

false and misleading claims about two of our products, Super Therm® and Sunshield.

We said that:

- Super Therm provides substantial energy savings
- Super Therm has an R-value of R-19, or is equal, equivalent, or comparable to R-19
- Sunshield has an R-17 equivalent rating.

The FTC said that:

- These claims are false because we do not have scientific evidence to prove them
- The R-value, and R-value equivalent, of Super Therm and of Sunshield is no greater than R-0.1, not R-19.

A U.S. federal court has determined that our claims were false and unsubstantiated. The Court entered a Permanent Injunction against us prohibiting us from making these types of claims about our products if we do not have competent and reliable scientific evidence to prove them. Anecdotal evidence and consumer testimonials are not considered competent and reliable scientific evidence.

As a distributor of Super Therm and/or Sunshield, you are prohibited from making these types of claims about our products if we do not have competent and reliable scientific evidence to prove them. Anecdotal evidence and consumer testimonials are not considered competent and reliable scientific evidence.

Sincerely,

J.E. Pritchett
Superior Products International II, Inc.