UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

COMMISSIONERS:

Jon Leibowitz, Chairman Pamela Jones Harbour William E. Kovacic J. Thomas Rosch

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In the Matter of))
PURE BAMBOO, LLC, a limited)))
liability company, and)))
BRUCE DEAR, individually and as the managing member of the limited liability company.)))

DOCKET NO. C-4278

COMPLAINT

The Federal Trade Commission, having reason to believe that Pure Bamboo, LLC ("Pure Bamboo"), a limited liability company, and Bruce Dear, individually and as the managing member of the limited liability company ("Respondents"), have violated the provisions of the Federal Trade Commission Act, 15 U.S.C. § 41, *et seq.*, the Textile Fiber Products Identification Act, 15 U.S.C. § 70, *et seq.*, and the Rules and Regulations promulgated thereunder, 16 C.F.R. Part 303, and it appearing to the Commission that this proceeding is in the public interest, alleges:

- Respondent Pure Bamboo is a Nevada limited liability company, registered to do business in California. Its principal office or place of business is 12449 Gilmore Avenue, Los Angeles, California 90066.
- 2. Respondent Bruce Dear is the managing member of Pure Bamboo, LLC. Individually or in concert with others, he formulates, directs, or controls the policies, acts, or practices of the limited liability company, including the acts or practices alleged in this complaint. His principal office or place of business is the same as that of Pure Bamboo.

- 3. 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, 15 U.S.C. § 44.
- 4. Respondents manufacture, advertise, market, promote, offer to sell, sell, and distribute textile fiber products, including clothing and other items, throughout the United States, using both Pure Bamboo's own website, <u>www.purebamboo.com</u>, and other retailers.
- 5. Respondents price the textile fiber products that they manufacture, market, promote, distribute, and sell at a premium compared to other, similar products in the marketplace.
- 6. In advertisements to induce consumers to purchase their textile fiber products, Respondents make or have made various claims, on their website and elsewhere, concerning the fiber content, biodegradability, and anti-microbial characteristics of their textile fiber products, as well as the environmentally friendly manufacturing processes used to make their products, including, but not limited to, the following:

A. Pure Bamboo Website (www.purebamboo.com)

1. Pure Bamboo

Pure Quality, Pure Ingenuity, Pure Clothing

We are dedicated to providing high performance wear that brings together comfort, simplicity and our own unique Pure Style to create an eco-friendly bamboo clothing line committed to fitting your one of a kind environmentally conscious life style.

(Homepage, Exhibit A at 1).

2. **About Pure Bamboo**

We started Pure Bamboo to create a company that could both support sustainable environmental business practices and serve a fun and freedom loving lifestyle.

* * * *

We've found bamboo to be a superior fabric for its comfort, breathability, and natural anti-microbial properties.

* * * *

We believe that it's possible to purchase products you love without having a negative impact on the environment. Together with a growing number of companies, we seek to create alternative choices in the market place for you to purchase unique, stylish clothing that is gentle on the environment and utilize[s] sustainable business practices.

* * * *

At Pure Bamboo, our goal is to honor the earth, her citizens and have fun while doing it.

("About" page, Exhibit A at 2).

3. Do you Bamboo?

High-end, High-performance and Low Impact

PURE Bamboo is eco-luxurious! Finally, a fabric that fulfills all our needs for comfort, beauty and sustainability. . . . [Bamboo is] 100% naturally grown without pesticides or fertilizers so PURE Bamboo clothing is better for your skin than most cottons and it's biodegradable.

* * * *

The unique properties of the fabric make it soft and durable – **smooth and free-moving** much like a fine silk and cashmere combined. This is why bamboo linen, even at average thread counts, is considered in the luxury category. But it's also why – for people who care about taking care of their bodies, and taking care of the environment, bamboo is the perfect choice.

100% Natural

PURE Bamboo clothing protects the wearer. Bamboo has naturally occurring anti-bacterial and anti-fungal properties, called **Bamboo Kin**, that inhibit bacteria from cultivating on it. So when this bamboo fiber is made into fabric, it's (sic) retains its anti-microbial properties!

* * * *

Naturally Renewable and Durable

As one of the world's most versatile and environmentally-friendly materials, bamboo has been used as the perfect natural resource for thousands of years. And because bamboo requires no fertilizers, pesticides or insecticides to grow, bamboo clothing has NO harmful chemical residues to irritate your skin – unlike most cotton clothing, which leaves behind damaging chemicals in the fabric.

("Do you Bamboo?" page, Exhibit A at 3).

4. The Pure Bamboo Robe

This amazingly soft and scrumptious robe is like a soft furry teddy bear hug to greet you after a relaxing shower or massage. The 70% bamboo & 30% hypoallergenic organic cotton blend make it the perfect robe to wear after a spa or massage when skin pores are open and most susceptible to toxins in the fabrics. Don with full confidence that what you are wearing is the best nature has to offer. In addition bamboo is naturally anti-microbial and anti-fungal providing you a superior option over traditional terrycloth bathrobes.

("The Pure Bamboo Robe" product page, Exhibit A at 4).

5. **Pure Bamboo Spa Wrap**

Wrap yourself in luxury with our 100% bamboo spa wraps . . . Hypoallergenic and bacteria fighting properties, to keep you clean at all times.

("Pure Bamboo Spa Wrap" product page, Exhibit A at 5-6).

6. **Bamboo Spa Tee**

70% bamboo fiber and 30% organic cotton

("Bamboo Spa Tee" product page, Exhibit A at 7).

B. **Product Labels**

Pure Bamboo www.purebamboo.com Bamboo Fiber Products

* * * *

70% Bamboo/Bambou 30% Organic Cotton/Organique Coton

* * * *

Bamboo Fiber Products 100% bamboo

(Exhibit B at 1-2).

C. **Product Card**

Do you Bamboo?

* * * *

We are dedicated to creating a business environment where sustainability, fair trade and a sincere responsibility and respect for the natural world go hand in hand with convenience, comfort, and elegance.

At Pure Bamboo, our goal is to honor the earth, her citizens and have fun while doing it.

(Exhibit C at 1).

- 7. The textile fiber products manufactured, marketed, promoted, distributed, and sold by Respondents consist of rayon and not actual bamboo fibers woven into fabric.
- 8. Rayon is the generic name for a type of regenerated, or manufactured, fiber made from cellulose. Rayon is manufactured by taking purified cellulose from a plant source, also called a cellulose precursor, and converting it to a viscous solution by dissolving it in one or more chemicals, such as sodium hydroxide. The chemical solution is then forced through spinnerets and into an acidic bath where it solidifies into fibers.
- 9. The process used to manufacture rayon from cellulose involves hazardous chemicals. *See* 40 C.F.R. Part 63 ("National Emissions Standards for Hazardous Air Pollutants: Cellulose Products Manufacturing").
- 10. "[H]azardous air pollutants (HAP) emitted from cellulose products manufacturing operations" include carbon disulfide, carbonyl sulfide, ethylene oxide, methanol, methyl chloride, propylene oxide, and toluene. 40 C.F.R. § 63.5480.
- 11. Many plant sources may be used as cellulose precursors for rayon fabric, including cotton linters (short cotton fibers), wood pulp, and bamboo. Regardless of the source of the cellulose used, however, the manufacturing process involves the use of hazardous chemicals and the resulting fiber is rayon and not cotton, wood, or bamboo fiber.
- 12. Respondents do not state that their textile fiber products are rayon, nor, assuming that bamboo is the source of the cellulose used in their textile fiber products, do Respondents state that their textile fiber products are rayon made from bamboo. Moreover, on the pages of their website stating the claims set forth in Paragraph 6, Respondents do not

provide any description of the chemical process used to manufacture their textile fiber products.

- 13. Respondents do not define, describe, or qualify their claim that their textile fiber products are biodegradable.
- 14. Approximately 91 percent of total municipal solid waste in the United States is disposed of in either landfills, incinerators, or recycling facilities. These disposal methods do not present conditions that would allow for Respondents' textile fiber products to completely break down and return to nature, *i.e.*, decompose into elements found in nature, within a reasonably short period of time.
- 15. Respondents advertise or have advertised their textile fiber products for sale on the <u>www.purebamboo.com</u> website without including in the description of the product a clear and conspicuous statement that the product was either made in U.S.A., imported, or both.
- 16. Respondents sell or have sold hosiery textile fiber products without affixing labels to the products or to the packaging for those products that detail the fiber content, country of origin, and the name or registered identification number issued by the Commission of the manufacturer or of one or more persons marketing or handling the product.

VIOLATIONS OF SECTION 5 OF THE FTC ACT

FALSE OR MISLEADING REPRESENTATIONS

- 17. Through the means described in Paragraph 6, Respondents represent or have represented, expressly or by implication, that:
 - a. Their textile fiber products are bamboo fiber;
 - b. Their textile fiber products are manufactured using an environmentally friendly process;
 - c. Their textile fiber products retain anti-microbial properties of the bamboo plant; and
 - d. Their textile fiber products will completely break down and return to nature, *i.e.*, decompose into elements found in nature, within a reasonably short period of time after customary disposal.
- 18. In truth and in fact:
 - a. Respondents' textile fiber products are not bamboo fiber, but instead are rayon, a regenerated cellulose fiber;

- b. Respondents' textile fiber products are not manufactured using an environmentally friendly process but rather a process that involves the use of toxic chemicals and results in the emission of hazardous air pollutants;
- c. Respondents' textile fiber products do not retain anti-microbial properties of the bamboo plant; and
- d. Respondents' textile fiber products will not completely break down and return to nature, *i.e.*, decompose into elements found in nature, within a reasonably short period of time after customary disposal because a substantial majority of total household waste is disposed of by methods that do not present conditions that would allow for Respondents' textile fiber products to completely break down and return to nature, *i.e.*, decompose into elements found in nature, within a reasonably short period of time.
- 19. Therefore, the representations set forth in Paragraph 17 were, and are, false or misleading, and the making of such representations constitutes a deceptive act or practice, in or affecting commerce, in violation of Section 5(a) of the Federal Trade Commission Act.

UNSUBSTANTIATED REPRESENTATIONS

- 20. Through the means described in Paragraph 6, Respondents represent or have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 17, at the time the representations were made.
- 21. In truth and in fact, Respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 17, at the time the representations were made.
- 22. Therefore, the representation set forth in Paragraph 20 was, and is, false or misleading, and the making of such representation constitutes a deceptive act or practice, in or affecting commerce, in violation of Section 5(a) of the Federal Trade Commission Act.

TEXTILE FIBER PRODUCTS IDENTIFICATION ACT and RULES AND REGULATIONS

23. The Textile Fiber Products Identification Act, 15 U.S.C. § 70, *et seq.* ("Textile Act"), governs, *inter alia*, the labeling and advertising of textile fiber products introduced, manufactured for introduction, delivered for introduction, sold, advertised, or offered for sale in commerce. *See* 15 U.S.C. § 70a.

- 24. Under the Textile Act, a textile fiber product is "misbranded if it is falsely or deceptively stamped, tagged, labeled, invoiced, advertised, or otherwise identified as to the name or amount of constituent fibers contained therein." 15 U.S.C. § 70b(a).
- 25. Pursuant to the Textile Act, 15 U.S.C. § 70e(c), the Federal Trade Commission has promulgated Rules and Regulations for its administration and enforcement ("Textile Rules and Regulations"). *See* 16 C.F.R. Part 303. The Textile Rules and Regulations state:
 - A. All textile fiber products must carry permanent, affixed labels stating the recognized generic names of the constituent fibers, as well as indicating, among other things, the "percentages by weight of the constituent fibers present in the textile fiber product, excluding permissive ornamentation, in amounts of 5 percent or more," as well as the "name of the country where such product was processed or manufactured." 16 C.F.R. § 303.16(a)(1), (a)(3); *see also* 16 C.F.R. §§ 303.6, 303.15 and 303.33;
 - B. In advertising textile fiber products in promotional materials disseminated to ultimate consumers in print or by electronic means, other than by broadcast, where the consumer is solicited to purchase such textile products without examining the actual product purchased, the description of the product must contain a clear and conspicuous statement that the product was either made in U.S.A., imported, or both. 16 C.F.R. § 303.34;
 - C. In advertising and labeling textile fiber products, no generic name for a manufactured fiber may be used until such generic name has been "established or otherwise recognized by the Commission," 16 C.F.R. § 303.8, and such generic names must be used when identifying the fiber content in the information required in such labels and advertisements, 16 C.F.R. § 303.6;
 - D. The only generic terms for fibers manufactured from regenerated cellulose that have been established or otherwise recognized by the FTC are rayon, viscose, modal, cupro, and lyocell. *See* 16 C.F.R. § 303.7(d);
 - E. "Words, coined words, symbols or depictions, (a) which constitute or imply the name or designation of a fiber which is not present in the product, (b) which are phonetically similar to the name or designation of such a fiber, or (c) which are only a slight variation of spelling from the name or designation of such a fiber shall not be used in such a manner as to represent or imply that such fiber is present in the product." 16 C.F.R. § 303.18. Any term used in advertising, including internet advertising, that constitutes or connotes the name or presence of a textile fiber is deemed to be an implication of fiber content. 16 C.F.R. § 303.40; and

- F. Any information or representations included in advertising or labeling of a textile fiber product that is not required under the Textile Act or the Textile Rules and Regulations "shall in no way be false, deceptive, or misleading as to fiber content and shall not include any names, terms, or representations prohibited by the [Textile] Act and regulations. Such non-required information or representations shall not be set forth or so used as to interfere with, minimize, or detract from the required information." 16 C.F.R. § 303.42(b); 16 C.F.R. § 303.41(d); *see also* 16 C.F.R. § 303.17.
- 26. A violation either of the Textile Act or of the Textile Rules and Regulations constitutes an unfair and deceptive act or practice in violation of the Federal Trade Commission Act. *See* 15 U.S.C. §§ 70a and 70e.

VIOLATIONS OF THE TEXTILE ACT AND THE TEXTILE RULES AND REGULATIONS

- 27. As set forth in Paragraph 6, Respondents have:
 - a. labeled their textile fiber products as consisting of bamboo; and
 - b. advertised the fiber content of their textile fiber products using the terms "bamboo" and "bamboo fiber."
- 28. In truth and in fact, Respondents' textile fiber products are not bamboo fiber but are rayon, a regenerated cellulose fiber.
- 29. As set forth in Paragraph 15, Respondents have advertised and sold their textile fiber products on the <u>www.purebamboo.com</u> website without including in the description of each product a clear and conspicuous statement that the product was either made in U.S.A., imported, or both.
- 30. As set forth in Paragraph 16, Respondents sell or have sold hosiery textile fiber products without affixing to the packaging for those products, or to the products themselves, labels detailing fiber content information and other information required by the Textile Act and Textile Rules and Regulations.
- 31. Through the means described in Paragraphs 6, 15, and 16, Respondents have manufactured for introduction, introduced, advertised, offered for sale, or sold textile fiber products that are misbranded or falsely or deceptively advertised, as prohibited by Sections 70a and 70b of the Textile Act, 15 U.S.C. § 70, *et seq.*, and in violation of Sections 303.6, 303.8, 303.16, 303.17, 303.18, 303.34, 303.40, 303.41, and 303.42 of the Textile Rules and Regulations, 16 C.F.R. Part 303.

32. Respondents' violations of the Textile Act and of the Textile Rules and Regulations constitute deceptive acts or practices, in or affecting commerce, in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission, this fifteenth day of December, 2009, has issued this complaint against Respondents.

By the Commission.

Donald S. Clark Secretary