

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

In the Matter of)	
)	
NATIONWIDE SYNDICATIONS, INC.,)	FILE NO. 952 3041
a corporation, and)	
)	AGREEMENT CONTAINING
THOMAS W. KARON,)	CONSENT ORDER TO
individually and as an officer)	CEASE AND DESIST
of said corporation.)	

The Federal Trade Commission having initiated an investigation of certain acts and practices of Nationwide Syndications, Inc., a corporation, and Thomas W Karon, individually and as an officer of said corporation, (hereinafter sometimes referred to as "proposed respondents"), and it now appearing that proposed respondents are willing to enter into an agreement containing an order to cease and desist from the acts and practices being investigated,

IT IS HEREBY AGREED by and between the proposed respondents and their attorney, and counsel for the Federal Trade Commission that:

1. Proposed respondent Nationwide Syndications, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois with its principal office or place of business at 223 Applebee S, Barrington, Illinois 60010.

Proposed respondent Thomas W Karon is an officer of Nationwide Syndications, Inc. He formulates, directs and controls the policies, acts and practices of Nationwide Syndications, Inc. and his principal office or place of business is the same as that of Nationwide Syndications, Inc.

2. Proposed respondents admit all the jurisdictional facts set forth in the draft of complaint here attached.

3. Proposed respondents waive:

- 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 order entered pursuant to this agreement.

4. This agreement shall not become a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission it, together with the draft of the complaint contemplated thereby, will be placed on the public record for a period of sixty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify proposed respondents, in which event it 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.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondents that the law has been violated as alleged in the attached draft complaint or that the facts as alleged in the attached draft complaint, other than the jurisdictional facts, are true.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of § 34 of the Commission's Rules, the Commission may without further notice to proposed respondents, 1) issue its complaint corresponding in form and substance with the draft of complaint here attached and its decision containing the following order to cease and desist in disposition of the proceeding, and 2) make information public in respect thereto. When so entered, the order to cease and desist shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery by the U.S. Postal Service of the decision containing the agreed-to order to proposed respondents' address as stated in this agreement shall constitute service. Proposed respondents waive any right they may have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or contradict the terms of the order.

7. Proposed respondents have read the complaint and the order contemplated hereby. They understand that once the order has been issued, they will be required to file one or more compliance reports showing that they have fully complied with the order. Proposed respondents further understand that they may be liable for civil penalties in the amount provided by law for each violation of the order after it becomes final.

ORDER

DEFINITIONS

For purposes of this Order, the following definitions shall apply:

1. The term "substantially similar product" means any eyeglasses with tinted lenses.
2. The term "competent and reliable scientific evidence" means tests, analyses, research, studies or other evidence based on the expertise of professionals in the relevant area, that has been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

I.

IT IS ORDERED that respondents, Nationwide Syndications, Inc., a corporation, its successors and assigns, and its officers, and Thomas W. Karon, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of NightSafe Glasses or any substantially similar product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, in any manner, directly or by implication, that:

- A. Such product makes night driving safe or safer; or
- B. Such product improves night

v
i
s
i
o
n
.

II.

IT IS FURTHER ORDERED that respondents, Nationwide Syndications, Inc., a corporation, its successors and assigns, and its officers, and Thomas W. Karon, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of NightSafe Glasses or any

substantially similar product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner, directly or by implication, the efficacy, performance, safety, or benefits of such product, unless such representation is true and, at the time of making such representation, respondents possess and rely upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation.

III.

IT IS FURTHER ORDERED that respondents, Nationwide Syndications, Inc., a corporation, its successors and assigns, and its officers, and Thomas W. Karon, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of any product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner, directly or by implication, the existence, contents, validity, results, conclusions, or interpretations of any test or study.

IV.

IT IS FURTHER ORDERED that respondents, Nationwide Syndications, Inc., a corporation, its successors and assigns, and its officers, and Thomas W. Karon, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division, or other device, in connection with the labeling, advertising, promotion, offering for sale, sale, or distribution of NightSafe Glasses or any substantially similar product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from using the name "NightSafe," or any other name, in a manner that represents, directly or by implication, that such product makes night driving safe or safer.

V.

IT IS FURTHER ORDERED that respondents, Nationwide Syndications, Inc., its successors and assigns, and Thomas W. Karon, shall pay to the Federal Trade Commission, by cashier's check or certified check made payable to the Federal Trade Commission and delivered to the Director of the Chicago Regional Office, Federal Trade Commission, 55 East Monroe, Suite 1860, Chicago, Illinois 60603, the sum of one hundred and twenty five thousand dollars (\$125,000). This payment shall constitute full and complete satisfaction of all claims for redress by the Commission, under the Federal Trade Commission Act or any other applicable rule of law, for conduct covered by the Order which occurred prior to the date of service of this Order. Respondents shall make this payment no later than ten (10) days following the date of service of this Order. In the event of any default on any obligation to make payment under this section, interest, computed pursuant to 28 U.S.C. § 1961(a), shall accrue from the date of default to the date of payment. The funds paid by respondents shall, in the discretion of the Federal Trade

Commission, be used by the Commission to provide direct redress to purchasers of NightSafe Glasses in connection with the acts or practices alleged in the complaint, and to pay any attendant costs of administration. If the Federal Trade Commission determines, in its sole discretion, that redress to purchasers of this product is wholly or partially impracticable or is otherwise unwarranted, any funds not so used shall be paid to the United States Treasury. Respondents shall be notified as to how the funds are distributed, but shall have no right to contest the manner of distribution chosen by the Commission. No portion of the payment as herein provided shall be deemed a payment of any fine, penalty, or punitive assessment.

VI.

IT IS FURTHER ORDERED that respondents shall provide the names and addresses of each individual who purchased NightSafe Glasses or any substantially similar product (hereafter "NightSafe Glasses") from Nationwide Syndications, Inc., or each individual who purchased NightSafe Glasses from any of the retailers, credit card companies, or any other person, partnership or corporation to whom Nationwide Syndications, Inc. sold NightSafe Glasses for resale, and whose names and addresses are in the possession of Nationwide Syndications, Inc. or Thomas W. Karon or can reasonably be obtained from the agents or representatives involved in fulfilling orders on behalf of Nationwide Syndications, Inc., to the Federal Trade Commission no later than ten (10) days after the date of service of this Order. The respondents shall provide these names and addresses to the Commission in a format consistent with the Commission's Standards for Production/Acceptance of Magnetically Recorded Information as set forth in Appendix A. The Commission may, in its sole discretion, provide notification to the purchasers of NightSafe Glasses to inform the purchasers of the safety information contained in Appendix B. The funds paid by respondents, pursuant to Paragraph V of this Order, may, in the discretion of the Commission, be used by the Commission to pay any of the costs associated with providing this notification to purchasers of NightSafe Glasses.

VII.

IT IS FURTHER ORDERED that for five (5) years after the last date of dissemination of any representation covered by this Order, respondents, or their successors and assigns, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

- A. All materials that were relied upon in disseminating such representation; and
- B. All tests, reports, studies, surveys, demonstrations, or other evidence in its possession or control that contradict, qualify, or call into question such representation, or the basis relied upon for such representation, including complaints from consumers.

VIII.

IT IS FURTHER ORDERED that respondents Nationwide Syndications, Inc. shall:

- A. Within thirty (30) days after the date of service of this Order, deliver a copy of this Order to each of the corporate respondent's officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials, product labels or other such sales materials covered by this Order.
- B. For a period of ten (10) years after the date of service of this Order, deliver a copy of this Order to each of the corporate respondent's future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional materials, product labels or other such sales materials covered by this Order, within three (3) days after the person assumes such position.

IX.

IT IS FURTHER ORDERED that respondents Nationwide Syndications, Inc. shall notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent such as a dissolution, assignment, or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries, or any other change in the corporation which may affect compliance obligations under this Order.

X.

IT IS FURTHER ORDERED that respondent Thomas WKaron shall, for a period of ten (10) years after the date of issuance of this Order, notify the Commission within thirty (30) days of discontinuance of his present business or employment and of each affiliation with a new business or employment. Each notice of affiliation with any new business or employment shall include his new business address and telephone number, current home address, and a statement describing the nature of the business or employment and the duties and responsibilities.

XI.

This Order will terminate twenty years from the date of its issuance, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the Order, whichever comes later **provided, however** that the filing of such a complaint will not affect the duration of:

- A. Any paragraph in this Order that terminates in less than twenty years;
- B. This Order's application to any respondent that is not named as a defendant in such complaint; and

C. This Order if such complaint is filed after the Order has terminated pursuant to this paragraph.

Provided further,that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate according to this paragraph as though the complaint was never filed, except that the Order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

XII.

IT IS FURTHER ORDERED that each respondent shall, within sixty (60) days after service of this Order upon it, and at such other times as the Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this Order.

Signed this ___ day of _____, 19__.

NATIONWIDE SYNDICATIONS, INC.

By: _____
Thomas W. Karon
President
Nationwide Syndications, Inc.

Thomas W. Karon
Individually and as an officer of Nationwide
Syndications, Inc.

By: _____
David A. Clanton
Attorney for Nationwide Syndications, Inc., and
Thomas W. Karon

FEDERAL TRADE COMMISSION

Karen D. Dodge
Attorney

APPROVED:

C. Steven Baker
Director
Chicago Regional Office

APPENDIX A

Federal Trade Commission Standards for Production/Acceptance of Magnetically Recorded Information

The Federal Trade Commission utilizes standards for information transfer adopted by the National Institute for Standards and Technology and in compliance with the International Standards Organization guidelines for information exchange.

The Commission encourages the use and exchange of magnetic media as a cost-effective, resource conscious alternative to printed materials.

The Commission will accept magnetic media in the following formats:

(A) Magnetic storage media: (1) 9-track computer tapes recorded in ASCII or EBCDIC format at either 1600 or 6250 BPI. No internal labels should be written.
(2) 5.25 inch IBM-compatible format diskettes.
(3) 3.5 inch IBM-compatible format micro floppy diskettes.
(4) Local Area Network backup cassettes or cartridges by pre-authorization only. (Contact (202)326-2280 for authorization.)

(B) File structures: (1) Sequential Access Method (SAM) files only. All indexed file structures must be dumped down into SAM format in primary-key order. Micro-computer (IBM-compatible) file structures should be in ASCII-comma-separated format.

(C) Record structures: Fixed length records only. Maximum block size for data is 32,000 bytes for data submitted on 9-track tapes. All data in the record is to be provided as it would appear in printed format: (eg). unpacked, printed decimal points, signed if relevant.

(D) Documentation: Brief documentation of each file on the tape or diskette must be provided. This information should include the following: (1) File name, (2) What tape/diskette file resides on, (3) Position of file on tape or diskette, (4) Number of records contained in the file, (5) The length of each record, (6) The record layout: (a) field name
(b) field size in bytes
(c) field data type (numeric/alpha-numeric/dollar/logical/date/etc.)

File layout documentation should be included in the same package as the tape/diskettes when sent.

(E) Shipping: Magnetic media must be shipped clearly marked: MAGNETIC MEDIA DO NOT X-RAY. Data received unmarked can not be accepted by our computer center. Media should be sent to the following address:

Federal Trade Commission
Computer Operations Center, Room-192
6th & Pa. Ave.N.W.
Washington, DC 20580
Attn: Litigation & Customer Support

(F) Technical Support: The Litigation & Customer Support Consulting staff is available at (202) 326-2200 to answer your technical questions regarding production of data for the Commission from 8:30 am to 6:00pm EST.

APPENDIX B

Please note this important safety information:

The NightSafe Glasses you purchased do not improve your vision while driving at night. In fact, these glasses may impair your vision while driving at night. This means that you should not wear NightSafe Glasses while driving at night.

Although NightSafe Glasses may impair your vision while driving at night, they may be used during the daytime as sunglasses.

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

In the Matter of)	
)	
NATIONWIDE SYNDICATIONS, INC.,)	DOCKET NO.
a corporation, and)	
)	
THOMAS W. KARON,)	
individually and as an officer)	
of said corporation.)	
)	

COMPLAINT

The Federal Trade Commission, having reason to believe that Nationwide Syndications, Inc., a corporation, and Thomas W. Karon, individually and as an officer of said corporations, ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH ONE: Respondent Nationwide Syndications, Inc. is an Illinois corporation with its principal office or place of business at 223 Applebee St., Barrington, Illinois 60010.

Respondent Thomas W. Karon is an officer of Nationwide Syndications, Inc. Individually or in concert with others, he formulates, directs and controls the acts and practices of the corporate respondent, including the acts and practices alleged in this complaint. His principal office or place of business is the same as that of Nationwide Syndications, Inc.

PARAGRAPH TWO: Respondents have advertised, labeled, offered for sale, sold, and distributed night driving glasses, including NightSafe Glasses, and other products to consumers. This product is a "device" within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.

PARAGRAPH THREE: 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.

PARAGRAPH FOUR: Respondents have disseminated or have caused to be disseminated advertisements, including product labeling, for NightSafe Glasses, including but not necessarily limited to the attached Exhibits A through C. These advertisements and product labeling contain the following statements and depictions:

A. **DRIVE SAFER AT NIGHT, IN RAIN, SNOW, SLEET, EVEN FOG** Order your NightSafe Glasses Today!

* * *

WITH...

NightSafe Glasses, your night vision actually improves! . . .
[Photograph of front end of vehicle in sharp focus.]

WITHOUT...

[Photograph of front end of vehicle out of focus.]

* * *

WHAT A DIFFERENCE! Experience an incredible improvement in your night vision with NightSafe Glasses--the glasses that make driving safer and more relaxing. Thousands of drivers find them welcome traveling companions. You will too--objects appear sharper and better defined No matter what the weather--rain, snow, sleet, fog or haze--you'll feel safer and more confident with NightSafe Glasses.

. . . **ADVANCED OPTICAL TECHNOLOGY** NightSafe Glasses were perfected after years of optical experimentation and laboratory testing. The UV400 lenses block harmful ultraviolet rays and bring incredible clarity and sharpness to otherwise distorted images. (Exhibit A).

B. **SEE THE DIFFERENCE FOR YOURSELF!**

[Photograph of oncoming traffic in sharp focus.]
With NightSafe Glasses.

[Photograph of oncoming traffic out of focus.]
Without NightSafe Glasses.

NightSafe Glasses help improve night vision instantly. . . . You'll see better in rain, snow, sleet and fog, and drive more safely. ~~With~~ NightSafe Glasses everything appears sharper, clearer and brighter. Contrast is enhanced. Actually helps you see better at night--no matter what the weather!

* * *

NIGHTSAFE GLASSES
DRIVE SAFER AT NIGHT--NO MATTER WHAT THE WEATHER!

* * *

A remarkable difference. NightSafe Glasses improve your vision instantly Everything appears sharper, clearer, brighter, with more definition. You'll see better than you ever thought possible.

. . . Laboratory tested and proven NightSafe Glasses really work. The innovative UV400 lenses block harmful ultraviolet rays and cut through dense haze. . . . NightSafe helps improve your night vision

You won't believe your eyes. NightSafe lets you drive at night as confidently as during the day. Just slip them on and you'll notice an immediate difference. Hazy objects appear crisp and clear. And bright, blinding lights will be a thing of the past. You will drive relaxed with renewed confidence. (Exhibit B).

- C. Enhance your night vision with NightSafe Glasses.

* * *

[Photograph of oncoming traffic out of focus.]

Without NightSafe Glasses..

[Photograph of oncoming traffic in sharp focus.]

With NightSafe Glasses!

* * *

NightSafe Glasses give you clearer, sharper images...especially in rain, sleet or snow when driving is most hazardous. That's why professional drivers, pilots and other who rely on their vision, rely on NightSafe Glasses. And why you should, too. Protect yourself and your passengers with NightSafe. (Exhibit C).

PARAGRAPH FIVE: Through the use of the statements and depictions contained in the advertisements referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisements attached as Exhibits A through C, respondents have represented, directly or by implication, that:

- A. NightSafe Glasses improve night vision.
- B. Laboratory tests prove that NightSafe Glasses improve night vision.

PARAGRAPH SIX: In truth and in fact:

- A. NightSafe Glasses do not improve night vision.

B. Laboratory tests do not prove that NightSafe Glasses improve night vision.

Therefore, the representations set forth in PARAGRAPH FIVE were, and are, false and misleading.

PARAGRAPH SEVEN: Through the use of the trade name NightSafe Glasses and the statements and depictions contained in the advertisements referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisements attached as Exhibits A through C, respondents have represented, directly or by implication, that NightSafe Glasses make night driving safe or safer.

PARAGRAPH EIGHT: In truth and in fact, NightSafe Glasses do not make night driving safer. Therefore, the representation set forth in PARAGRAPH SEVEN was, and is, false and misleading.

PARAGRAPH NINE: Through the use of the trade name and the statements and depictions contained in the advertisements referred to in PARAGRAPH FOUR, including but not necessarily limited to the advertisements attached as Exhibits A through C, respondents have represented, directly or by implication, that at the time they made the representations set forth in PARAGRAPHS FIVE and SEVEN, respondents possessed and relied upon a reasonable basis that substantiated such representations.

PARAGRAPH TEN: In truth and in fact, at the time they made the representations set forth in PARAGRAPHS FIVE and SEVEN, respondents did not possess and rely upon a reasonable basis that substantiated such representations. Therefore, the representation set forth in PARAGRAPH NINE was, and is, false and misleading.

PARAGRAPH ELEVEN: The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices, and the making of false advertisements, in or affecting commerce in violation of Sections 5(a) and 12 of the Federal Trade Commission Act.

Therefore, the Federal Trade Commission this ___ day of _____, 19___, has issued this complaint against respondent.

By the Commission.

Donald S. Clark
Secretary

SEAL:

[Exhibits A-C attached to paper copies of complaint, but not available in electronic form.]

Analysis of the Proposed Consent Order to Aid Public Comment

The Federal Trade Commission has accepted an agreement to a proposed consent order from Nationwide Syndications, Inc., a corporation, and Thomas W. Karon, individually and as an officer of Nationwide Syndications, Inc.

The proposed consent order has been placed on the public record for sixty (60) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action, or make final the proposed order contained in the agreement.

This matter concerns the proposed respondents' advertisements for NightSafe Glasses. The Commission's proposed complaint alleges that the advertisements expressly and impliedly claim that NightSafe Glasses will make night driving safer, improve night vision, and that laboratory tests prove that NightSafe Glasses improve night vision. These claims are alleged to violate Section 5 of the Federal Trade Commission Act, 15 U.S.C. §45, because they are false and the proposed respondents did not possess adequate substantiation for the claims at the time they were made.

Part I of the proposed consent order prohibits the proposed respondents from representing, directly or by implication, that NightSafe Glasses or any substantially similar product, makes night driving safe or safer or improves night vision. Part II of the proposed order prohibits proposed respondents from representing, directly or by implication, the efficacy, performance, safety, or benefits of NightSafe Glasses or any substantially similar product, unless such representation is true and, at the time of making such representation, respondents possess and rely upon competent and reliable scientific evidence. Part III of the proposed order prohibits the proposed respondents from representing, directly or by implication, the existence, contents, validity, results, conclusions, or interpretations of any test or study. Part IV of the proposed order prohibits the proposed respondents from using the name "NightSafe," or any other name, in a manner that represents, directly or by implication, that such product makes night driving safe or safer. Part V of the proposed order requires the proposed respondents to pay \$125,000 for consumer redress. Part VI of the proposed order requires the respondents to provide to the Commission the names and addresses of all of the purchasers of NightSafe Glasses whose names and addresses are in the possession of or can reasonably be obtained from the agents involved in fulfilling orders on behalf of Nationwide Syndications, Inc., and permits the Commission to provide the purchasers of NightSafe Glasses with safety information contained in an appendix to the proposed order.

The remaining parts of the consent order require proposed respondents to maintain all materials relied upon in disseminating any representation covered by the proposed consent order, to deliver a copy of the proposed order to all current and future officers, agents, representatives, and employees who are engaged in the preparation or placement of advertisements, promotional

materials, product labels or other such sales materials covered by the proposed consent order, to notify the Commission of any changes in the structure of the proposed corporate respondents or the employment of the proposed individual respondent, for each proposed respondent to file a written report with the Commission setting forth in detail how it complied with the order, and for the order to terminate twenty years from the date of its issuance, absent the filing of a complaint or consent decree alleging that the order has been violated.

The purpose of this analysis is to facilitate public comment of the proposed order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.