



**FEDERAL TRADE COMMISSION**  
PROTECTING AMERICA'S CONSUMERS

# FTC Action Leads to Court Order: Home Insulation Marketer to Pay \$350,000

## Energy- and Cost-Saving Claims Were Deceptive and Unsubstantiated

FOR RELEASE

January 31, 2013

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A federal court ordered a home insulation marketer to pay a \$350,000 civil penalty for making deceptive and unsubstantiated claims about his products' insulation capabilities. On the Federal Trade Commission's behalf, the U.S. Department of Justice won the order on the merits of the case without a trial. The \$350,000 figure is the largest civil penalty awarded in a home insulation case.

Edward Sumpolec, doing business as Thermalkool, Thermalcool, and Energy Conservation Specialists, violated the FTC Act and the agency's R-value Rule in selling liquid coating and foil radiant barrier products. Sumpolec's advertising included false claims such as "R-100 paint," "This . . . reflective coating will reduce wall and roof temperatures by 50-95 degrees . . ." and "Saves 40 to 60% on your energy bills."

A product's R-value is a measure of its resistance to heat flow: the higher the R-value, the greater the insulating power. The R-value Rule requires home insulation manufacturers, professional installers, new home sellers, and retailers to provide R-value information, based on the results of standard tests, to help inform consumers.

In addition to imposing a \$350,000 civil penalty against Sumpolec, the court order permanently prohibits him from making a claim about a product's insulation value or energy savings unless it is true, not misleading, and based on competent and reliable scientific evidence. It also bars Sumpolec from violating the R-value Rule by failing to base R-value claims only on proper tests, failing to make product fact sheets available to customers prior to sale, and failing to make mandatory advertising disclosures, including type of insulation, R-value at a specific thickness, coverage area for that thickness, and the statement: "The higher the R-value, the greater the insulating power. Ask your seller for the fact sheet on R-values." The order also bars him from failing to have a reasonable basis for claims that insulation can cut fuel bills or fuel use, failing to make the mandatory disclosure regarding such claims, and failing to keep records of all data about such claims for at least three years.

The order was entered by the U.S. District Court for the Middle District of Florida, Orlando Division on January 9, 2013.

The FTC appreciates DOJ's assistance in bringing this case. DOJ's Consumer Protection Branch successfully litigated this matter to summary judgment in 2011.

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online Complaint Assistant or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 2,000 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's website provides free information on a variety of consumer topics. Like the FTC on Facebook, follow us on Twitter, and subscribe to press releases for the latest FTC news and resources.

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