

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Jon Leibowitz, Chairman**
 J. Thomas Rosch
 Edith Ramirez
 Julie Brill
 Maureen K. Ohlhausen

)	
In the Matter of)	
)	
THV HOLDINGS LLC,)	Docket No. C-4361
a corporation.)	
)	
)	

COMPLAINT

The Federal Trade Commission, having reason to believe that THV Holdings LLC (“respondent”) has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent THV Holdings LLC is a Delaware limited liability company with its principal office or place of business at 5611 Fern Valley Road, Louisville, Kentucky 40228. It does business as THV Compozit Windows & Doors, Leingang Home Center, Primax Home Center, True Home Value, Rolox Home Center, and Thomas Construction.
2. Respondent manufactures, advertises, offers for sale, sells, installs, and/or distributes windows, including its THV Compozit Window line with Alter-Lite® triple pane glass. Respondent sells these windows directly to consumers for residential use, and distributes the windows to numerous independent distributors who in turn sell them to consumers for residential use.
3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.
4. Respondent has disseminated or has caused the dissemination of advertising and promotional materials, such as web page, newspaper and magazine advertising, brochures, telemarketing scripts, and sales training materials, including but not necessarily limited to the attached Exhibits A through I. Respondent and its independent distributors disseminated or caused the dissemination of these advertising and promotional materials and representations to

consumers. The advertising and promotional materials contain the following statements or depictions:

A. THV Window Systems Premium Warranty

THV Window Systems will pay for themselves in energy savings within eight years or we pay the difference! . . .

This warranty guarantees a total energy savings equal to or greater than the total purchase price of a full house installation of THV Window Systems at the address shown hereon for a period of eight (8) years. The eight year total energy savings begin the first day of the month subsequent to the completed installation of THV Window Systems. In the event total energy savings over the eight-year period are less than the complete installation purchase price, the Purchaser shall notify THV using the provided claim forms to file for benefits under this warranty. If energy savings over the eight-year period are less than the completed installation, THV will reimburse the difference between actual savings and the purchase price.

Exhibit A.

B. Thermal Line Windows - THV Compozit Window Systems Sales Training Manual

- *What would happen to your fuel bills if I were able to build a window that acted more like a thermos bottle than a jelly jar? Do you think they would go up or down?*

Get Answer: They'd go down!

State answer pointing to the fuel savings warranty saying:

They would pay for themselves in energy savings alone within 8 years!

. . . .

Now ask the question that clears the deck for the Closing Sequence. The goal of this question is to make sure the only thing holding them back is the money.

Great window isn't it? Other than the cost, is there any reason you wouldn't want to own these windows and cut that energy bill in half?

Exhibit B.

C. THV Sales Training Materials

Why are our windows better than everyone else's?

It is the only product that is FREE! That's right, FREE! Homeowners will typically experience a 35% to 55% reduction in monthly energy bills. Our windows will pay for themselves in energy savings alone within eight years or we will pay the difference. **And that's the Thomas promise!**

Exhibit C.

D. THV Telemarketing Sales Script

THOMAS CONSTRUCTION MANUFACTURES OUR OWN COMPOSIT WINDOW. OUR HOME OWNERS HAVE NOTICED THAT OUR WINDOWS HAVE SAVED THEM 35-55% OFF THEIR ENERGY BILLS AND OUR WINDOWS SYSTEM WILL PAY FOR THEMSELVES IN ENERGY SAVINGS ALONE WITHIN 8 YEARS OR WE WILL PAY THE DIFFERENCE!!

WHAT THIS MEANS TO OUR HOME OWNERS!!

OUR WINDOWS ARE FREE!!! THAT'S THE THOMAS PROMISE!!!

Exhibit D.

E. THV Telemarketing Sales Script

CASH BACK DIRECT MAIL PITCH

STEP I Hello is Mr. _____ in?

Hi this is _____ with Rolox Industries. I'm calling to see if you looked over the material we mailed to you?

STEP II What it tells about is a special neighborhood savings program, offering you up to a thousand dollars off on your next home improvement. So you can remodel your home with triple glass, energy efficient windows and reduce your heating and cooling bills by at least 40%.

Exhibit E.

F. THV Newspaper Advertising

LOWER ENERGY BILLS & INCREASE YOUR COMFORT WITH THV REPLACEMENT WINDOWS

....

■ 40% Fuel Savings

...

THV GUARANTEES IN WRITING . . .

Our windows will pay for themselves in utility bills alone or we will pay you the difference.

Exhibit F.

Up to 40% FUEL SAVINGS

Composit frame for superior energy performance and savings. . . . Our fuel pledge is that THV windows will pay for themselves or we will pay you the difference.

GUARANTEED!

Exhibit G.

G. THV Magazine Advertisement

WINNING THE WAR ON HIGH ENERGY BILLS

40% FUEL SAVINGS *Guaranteed*

Our windows pay for themselves or we pay you the difference! **GUARANTEED!**

Exhibit H.

H. THV 40% Fuel Pledge

Our pledge: Your new THV Composit windows will give you an energy savings of 40% on your fuel consumption during the first 12 months after installation or we will pay you the difference!

. . . .

This pledges a savings of 40% on your heating and cooling consumption for this residence at the address shown hereon during the 12 month period beginning with the date of this Pledge.

. . . .

Exhibit I.

5. Many factors determine the savings homeowners can realize by replacing their windows, including the home's geographic location, size, insulation package, and existing windows. Consumers who replace single or double-paned wood or vinyl-framed windows – common residential window types in the United States – with THV replacement windows are not likely to achieve a 40%, 50%, or 35%-55% reduction in residential energy consumption or heating and cooling costs.

6. Through the means described in Paragraph 4, respondent has represented, expressly or by implication, that:

- A. Its windows likely pay for themselves in energy savings alone within eight years, when consumers replace their windows with THV composit windows with Alter-Lite® triple pane glass;
- B. Consumers who replace windows with THV composit windows with Alter-Lite® triple pane glass are likely to achieve residential energy savings of 40%;
- C. Consumers who replace windows with THV composit windows with Alter-Lite® triple pane glass are likely to save 40% on residential heating and cooling costs;
- D. Consumers who replace windows with THV composit windows with Alter-Lite® triple pane glass are likely to reduce their energy bills by half; or
- E. Home owners have saved 35-55% off their energy bills by replacing their windows with THV composit windows.

7. Through the means described in Paragraph 4, respondent has represented, expressly or by implication, that it possessed and relied upon a reasonable basis that substantiated the representation(s) set forth in Paragraph 6 at the time the representation(s) were made.

8. In truth and in fact, respondent did not possess and rely upon a reasonable basis that substantiated the representation(s) set forth in Paragraph 6 at the time the representation(s) were made. Therefore, the representation set forth in Paragraph 7 was false or misleading.

9. Respondent provided to its independent distributors promotional materials referred to in Paragraph 4. By doing so, respondent provided them with the means and instrumentalities for the commission of deceptive acts or practices. Therefore, respondent's provision of such materials to its distributors, as described in Paragraph 4 above, constitutes a deceptive act or practice.

10. The acts and practices of respondent as alleged in this complaint constitute unfair or 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 sixteenth day of May, 2012, has issued this complaint against respondent.

By the Commission, Commissioner Rosch and Commissioner Ohlhausen not participating.

SEAL

Donald S. Clark
Secretary