

**UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Jon Leibowitz, Chairman**
 William E. Kovacic
 J. Thomas Rosch
 Edith Ramirez
 Julie Brill

In the Matter of)
)
)
NONPROFIT MANAGEMENT LLC,)
a limited liability corporation,)
also doing business as Tested Green,)
and)
)
JEREMY RYAN CLAEYS, also doing)
business as Tested Green, individually)
and as an officer and member of)
Nonprofit Management LLC)

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that Nonprofit Management LLC and Jeremy Ryan Claeys (collectively “Respondents”) have violated provisions of the Federal Trade Commission Act, 15 U.S.C. § 41 *et seq.*, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Nonprofit Management LLC, also doing business as Tested Green, is a Delaware limited liability corporation with a principal office at 1250 Connecticut Avenue, NW, Suite 200, Washington, DC 20036.

2. Respondent Jeremy Ryan Claeys, also doing business as Tested Green, is an officer and member of Nonprofit Management LLC. Individually, or in concert with others, he formulates, directs, controls, or participates in the policies, acts, or practices of Nonprofit Management LLC. His principal office, doing business as Tested Green, is at 1250 Connecticut Avenue, NW, Suite 200, Washington, DC 20036.

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.

4. From approximately February 2009 through April 2010, Respondents conducted business as “Tested Green.” In this capacity, Respondents advertised, marketed, offered for sale, and sold the Tested Green Certification, depicted below:



5. Respondents advertised and sold the Tested Green Certification to the public throughout the United States via their website, www.testedgreen.com (“Tested Green website”), and via emails that linked to the Tested Green website that Respondents repeatedly sent to approximately 30,000 persons.

6. Respondents claimed on their website that Tested Green was “endorsed by the National Green Business Association and the National Association of Government Contractors.”

7. The National Green Business Association and National Association of Government Contractors are names for businesses owned and operated by Respondent Jeremy Claeys.

8. Respondents touted Tested Green on their website as “the nation’s leading certification program for businesses that produce green products or use green processes in the manufacture of goods and services,” stating that it “served over 45,000 certifications in the United States.”

9. Respondents repeated this claim in the mass emails they sent during 2009, boasting that Tested Green was “the nation’s leading certification for green businesses with over 45,000 certifications in the United States.” In 2010, Respondents modified their mass emails to state that Tested Green was “the nation’s leading certification for green businesses with over 65,000 certifications in the United States.”

10. Respondents promised on the Tested Green website that the businesses that purchased Tested Green Certifications would have access to certain “promotional tools”:

Tested Green provides a simple way to certify your business as “green” and provides a package of advertising tools to show you have a verified green product, service or manufacturing process. Our unique certification gives you a branded verification website that you can customize for your business. Certification seals are available that automatically link to your custom site to verify your green status.

* * *

Once you receive certification, several tools are available to promote your green certification. Tested Green maintains a certification verification page for every certified

business. This customized page is yours to edit and promote to show you are a verified green business.

11. Tested Green offered two types of certifications: “Rapid Certify” and “Pro Certify,” at an annual cost of \$189.95 and \$549.95, respectively.

12. According to the Tested Green website, to receive either certification:

you will answer a series of questions about the green activities your business participates in. Those answers will appear on your certification page along with other business information.

13. In the case of the “Pro” Certification, Respondents represented that businesses were required to supply documentation and that “a site visit may be required to verify the green practices are legitimate and meet universal green standards.”

14. No applicant for a Tested Green Certification was required to answer a series of questions about the green activities his business participates in, and no applicant for “Pro” Certification was required to submit documentation or subjected to a site visit as a condition of certification. All an applicant needed to do was to provide name and address information, and pay the indicated amounts via credit card.

15. Every one of the 129 persons that applied for Tested Green Certification and paid the designated amounts was given a Tested Green Certification.

16. Immediately upon certification, Respondents provided the 129 businesses with various tools to promote their Tested Green-certified status, including access to the Tested Green logo via HTML code, and customized “certification verification” profiles for their businesses.

VIOLATIONS OF THE FTC ACT

Count I - Means and Instrumentalities

17. Respondents’ Tested Green Certification represented expressly or by implication that the products, services, programs, or entities bearing such certification had been independently and objectively evaluated based on their environmental attributes or benefits.

18. In truth and in fact, the products, services, programs, and entities bearing the Tested Green certification had not been independently and objectively evaluated based on their environmental attributes or benefits.

19. By furnishing businesses with Tested Green Certifications, along with access to the HTML code for the Tested Green logo, and a “certification verification page” that such businesses could edit and use to promote their Tested Green certified status, Respondents provided businesses with the means and instrumentalities for the commission of deceptive acts and practices.

20. Therefore, Tested Green's practices, as described in Paragraphs 17-19, above, constitute deceptive acts and practices in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

Count II - Deception in Use of Endorsements

21. Through the means described in Paragraphs 4-6, above, Respondents represented, expressly or by implication, that the National Green Business Association and the National Association of Government Contractors are independent from Respondents.

22. In truth and in fact, these organizations are not independent from Respondents, but are owned and operated by them.

23. Therefore, the representation in Paragraph 21 is false and misleading.

Count III - Deception in Failure to Disclose Material Facts in Use of Endorsements

24. Through the means described in Paragraphs 4-6, above, Respondents represented, expressly or by implication, that its alleged endorsers, the National Green Business Association and National Association of Government Contractors, are independent from Respondents.

25. Respondents failed to disclose, however, that they own and operate the National Green Business Association and National Association of Government Contractors.

26. The facts described in Paragraph 25 would have been material to consumers in their purchasing decisions.

27. Therefore, Respondents' failure to disclose these facts, in light of the representations made, constitutes a deceptive act or practice, in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

THEREFORE, the Federal Trade Commission, on this ____ day of _____, 20__, has issued this complaint against respondent.

By the Commission.

Donald S. Clark
Secretary