

Beware of the False Certification

February 15, 2011

It's hard to believe, but then again it's not -Federal Trade Commission has challenged a company that was selling a environmental certification. surprisingly, the agency filed a press release last month announcing that FTC is prosecuting the marketers of the "Tested Green" environmental certification program, seeking to bar the company and its founder from engaging in this type of deception. The agency also seeks a twenty year compliance supervise the individuals order. to responsible for "Tested Green."

TESTED? GREEN?

According to the FTC's complaint in the matter, Tested Green certification was sold at two price levels, for \$189.95 for a "Rapid" certification and \$549.95 for the "Pro-Certify" Tested Green certification. However, the only real requirement to obtain the certification was a willingness to pay for In exchange, Tested Green would provide logos and a link to a Tested Green web page that would "verify" certification. As the FTC press release guipped, Tested Green certifications "were neither tested nor green."

Apparently, the FTC has found that 129 customers were duped by (or perhaps

complicit with) the bogus Tested Green certification program. If consumers or competitors of these customers were potentially harmed or mislead by such certifications, don't be surprised to see additional fallout from this investigation.

The problem of false certifications is certainly not limited to "Tested Green." In the 2010 Greenwashing Report, the marketing firm TerraChoice notes that this is one of the bigger problems with environmental marketing claims, finding that over 30% of the 4,744 products examined for the 2010 Report advertised false certifications. If that is true, the FTC's enforcement action against Tested Green isn't exactly a clean-up in the industry.

To be fair, the FTC's new proposed Green Guides do attempt to address this problem directly, noting that bogus certifications will be prosecuted. Still, given the modest number of green marketing enforcement actions in recent years, it is hard to imagine that FTC will launch a major offensive against false certifications. On the other a few FTC prosecutions, TerraChoice Greenwashing Report, other means of enforcement available to consumers and competing companies, should serve as warning to would-be false certifiers and those who would purchase their bogus certifications. The market is wise to this type of cynical green marketing strategy.