UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

In the Matter of

INTERSTATE BAKERIES CORPORATION, a corporation.

DOCKET NO.

<u>COMPLAINT</u>

The Federal Trade Commission, having reason to believe that Interstate Bakeries Corporation, a corporation ("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 Interstate Bakeries Corporation ("IBC") is a Delaware corporation with its principal office or place of business at 12 East Armour Boulevard, Kansas City, Missouri, 64111. IBC operates bakeries throughout the United States, distributing baked goods marketed under national and regional brands, including Wonder, Home Pride, Beefsteak, and Sunbeam. IBC produces and disseminates advertising in the form of television programming that is disseminated through cable channels, broadcast stations, and via the Internet.

2. Respondent has manufactured, advertised, labeled, offered for sale, sold, and distributed products to the public, including Wonder Bread. Wonder Bread is a "food," within the meaning of Sections 12 and 15 of the Federal Trade Commission Act.

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 to be disseminated advertisements and other promotional material for Wonder Bread, including but not limited to the attached Exhibits A and B. According to the product labels, Wonder Bread contains, among other ingredients, calcium. The attached advertisements and promotional material for Wonder Bread contain the following statements:

A. "PROFESSOR WONDER: Moms know calcium helps build strong bones. But did you know it helps build strong minds, too? * Neurons in your brain need

calcium to transmit signals. Without it, they can be, well, a little slow. [Inside Missy's brain, Professor Wonder sees tired neurons that have obviously not gotten enough calcium] Let's see what happens when you give them soft, delicious Wonder Bread. [Professor Wonder, with the help of Mom, constructs a demonstration that will allow Missy to get her calcium.] A good source of calcium with vitamins and minerals.

WOMAN: [After Missy takes a bite of her sandwich, Mom directs Missy to do her homework in order to show how well the calcium worked. Professor Wonder looks into her brain again.] Missy, go do your homework. [Inside Missy's brain we see lively, active neurons.]

NEURON: Let's go, guys, time to do homework.

PROFESSOR WONDER: Wow! I've never seen anything like it! Calcium helps you remember things, too. So remember, Wonder helps build strong bodies and minds."

* The following superscript appears in small, white type, on varying backgrounds, at the bottom of the screen, for approximately three (3) seconds: "With regular exercise and a balanced diet."

(Exhibit A) (Exhibit A is a storyboard of a thirty-second television advertisement) (*See also* Exhibit C, a videotape version of the advertisement)

B. "Parents know calcium helps build strong bones, but did you know that with regular exercise and a balanced diet, calcium helps build strong minds too? Calcium can help you to remember things, which is good to know when you ... ah, er, um, oh yeah, ... lost your train of thought.

* * *

The neurons in the brain need calcium to help transmit their signals. Without calcium, neurons can become a little slow.

* * *

So, help your kids (and keep the whole family thinking sharply) by making sure they get enough calcium with a balanced diet and help from Wonder Bread. * * *

[D]id you know that Wonder Bread is calcium fortified and now has 200% more calcium than regular white bread? So, when you're looking for a good source of calcium, go for the dough."

(Exhibit B) (Exhibit B is a printout from the Internet web site for Wonder Bread, <u>www.wonderbread.com/calcium.html</u>)(printed 2/21/01)

5. Through the means described in Paragraph 4, including but not necessarily limited to the advertisements attached as Exhibits A and B, respondent has represented, expressly or by implication, that:

- A. As a good source of calcium, Wonder Bread helps children's minds work better, and
- B. As a good source of calcium, Wonder Bread helps children remember things.

6. 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 representations set forth in Paragraph 5, at the time the representations were made.

7. In truth and in fact, respondent did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 5, at the time the representations were made. Therefore, the representation set forth in Paragraph 6 was, and is, false or misleading.

8. The acts and practices of respondent 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 _____, 2002, has issued this complaint against respondent.

By the Commission.

Donald S. Clark Secretary

SEAL: