

Window Maker Agrees to Settlement Over Energy Savings Claims

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In a settlement with the Washington Attorney General's Office, Great Lakes Window agreed not to make unsubstantiated energy efficiency claims. For five years, Great Lakes promised that consumers who purchased new windows and doors would save at least 40 percent in energy costs the first year, or be paid the difference. The promise was subject to a number of material terms and conditions.

According to the complaint, Great Lakes did not have a reasonable basis for making the 40% savings claim. Moreover, the AG alleged the energy savings realized as a result of replacing old windows varies greatly due to many energy-consumption factors, and that the actual energy savings that homeowners typically obtained was far less than the 40% savings Great Lakes promised.

Although Great Lakes denied the allegations, the company agreed not to engage in certain marketing practices and will set aside \$50,000 for refunds for qualifying homeowners. The AG agreed to suspend \$25,000 in civil penalties, provided Great Lakes abides with consumer protection laws in the future. The company will also pay \$10,000 in attorneys' fees and legal costs.

Advertisers should ensure they have adequate support for claims they make before they make the claims, even if they offer dissatisfied customers a mechanism to get some money back. Be particularly careful when making performance claims in cases where results can vary significantly.