cocktail. According to the complaint, these ads falsely represented that the product was a ''LOW ALCOHOL BEVERAGE.'' Allied has ceased making this representation.

Paragraph seven of the complaint sets out several reasons why the Kahlua White Russian pre-mixed cocktail should not be represented as a low alcohol beverage. It has significant alcohol content, 11.8 proof (5.9% alcohol by volume), equal to or greater than numerous other alcohol beverages. For example, a Kahlua White Russian has substantially more alcohol ounce for ounce than many beers, malt liquors and wine coolers. For some people, drinking as few as two or three Kahlua White Russians will begin to impair normal functions, such as driving. It is also pertinent that the Bureau of Alcohol, Tobacco and Firearms has limited use of the term ''low alcohol,'' for the purposes of beer and malt liquor, to products with less than 2.5% alcohol by volume. The alcohol content of a Kahlua White Russian is substantially higher, with 5.9% alcohol by volume. Accordingly, the complaint alleges that the low alcohol beverage representation was false or misleading.

The consent order contains provisions designed to remedy the violations charged and to prevent Allied from engaging in similar acts in the future. Part I of the order prohibits any representation that any beverage alcohol product containing 5.9% alcohol by volume is a low alcohol beverage, as well as any misrepresentation, through numerical or descriptive terms, or any other means, of the amount of alcohol contained in any beverage alcohol product. Part I of the order does not prohibit Allied from making any representation about the amount of alcohol contained in any beverage alcohol product that is specifically required in advertising by the Bureau of Alcohol, Tobacco and Firearms. Part I of the order also does not prohibit Allied from making non-misleading claims presenting clear and accurate comparisons of the alcohol content of Kahlua White Russians and any other specified beverage alcohol product. Indeed, Commission policy encourages truthful comparative advertising as an important means of informing consumers about the relative merits of competing products. *See*, In Regard to Comparative Advertising, 15 CFR 14.15 (favoring comparative advertising generally); Guides for the Use of Environmental Marketing Claims, 16 CFR 260.6(d) (guidance on comparative environmental claims); Enforcement Policy Statement on Food Advertising, p. 10 (1994) (guidance on comparative nutrient content claims).

The remaining parts of the order contain record keeping (Part II); order distribution (Part III); notification of corporate change (Part IV); compliance report filing (Part V) and sunset (VI) provisions.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

By direction of the Commission.

Benjamin I. Berman,

Acting Secretary.

[FR Doc. 98–21611 Filed 8–11–98; 8:45 am]

BILLING CODE 6750–01–M

FEDERAL TRADE COMMISSION

[File No. 982–3092]

Beck's North America, Inc.; Analysis to Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed consent agreement.

SUMMARY: The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practice or unfair methods of competition. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaint that accompanies the consent agreement and the terms of the consent order—embodied in the consent agreement—that would settle these allegations.

DATES: Comments must be received on or before October 13, 1998.

ADDRESSES: Comments should be direced to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., N.W., Washington, D.C. 20580.

FOR FURTHER INFORMATION CONTACT: Lee Peeler, FTC/S–4002, Washington, D.C. 20580. (202) 326–3090.

SUPPLEMENTARY INFORMATION: Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for August 6, 1998), on the World Wide Web, at ''http://www.ftc.gov/os/actions97.htm.'' A paper copy can be obtained from the FTC Public Reference Room, Room H–130, Sixth Street and Pennsylvania Avenue, N.W., Washington, D.C. 20580, either in person or by calling (202) 326–3627. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice (16 CFR 4.9(b)(6)(ii).

Analysis of Proposed Consent Order to Aid Public Comment

The Federal Trade Commission has accepted an agreement, subject to final approval, to a proposed consent order from Beck's North America, Inc. (''BNAI''), a Delaware corporation.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

The Commission's complaint in this matter concerns two television advertisements for Beck's Beer that depict young adults drinking alcohol on a sailing ship, while engaging in activities that allegedly pose a substantial risk of injury. BNAI has ceased disseminating the ads that are the subject of the complaint.

The challenged advertisements depict young adults partying and drinking beer on a schooner at sea. On the deck of the boat is a large bucket of ice, filled with bottles of Beck's Beer. Almost all of the passengers are holding bottles of beer, with one male passenger with a bottle of beer in hand standing precariously on the bowsprit (a spar extending almost horizontally off the bow of the boat), and others sitting or leaning on the edge of the bow, where there is no railing.

Because of the significant risks of drinking while boating, the U.S. Coast Guard has recently initiated a public education campaign designed to encourage boat operators and passengers to ''boat safe and sober.'' In this case, the challenged ads depict individuals combining drinking with activities—bowriding and standing on a bowsprit—that could constitute negligent boat operation under federal and state boating safety statutes. In addition, the advertising is inconsistent with the provisions of the Beer Institute Advertising and Marketing Code, which provides that ''[b]eer advertising . . . should not portray or imply illegal activity of any kind,'' and ''[b]eer advertising . . . should not associate or portray beer drinking before or during activities which require a high degree of alertness or coordination.''

Paragraph five of the complaint describes the challenged advertisements as depicting individuals drinking Beck's beer while engaging in acts that require a high degree of alertness and coordination to avoid falling overboard. This conduct is inconsistent with the Beer Institute's own Advertising and Marketing Code and may also violate federal and state boating safety laws. It alleges that the risks associated with such activities while boating are greatly increased by consumption of alcohol. It notes that even low and moderate blood alcohol levels sufficiently affect coordination and balance to place passengers at increased risk of falling overboard and drowning, and that many persons are unaware of this increased risk. This paragraph also notes that as many as one-half of all boating fatalities are alcohol-related, including an average of 60 recreational boat fatalities annually from falling overboard while drinking. Accordingly, respondent's depiction of this activity in its advertisements is likely to cause substantial injury to consumers that is not outweighed by countervailing benefits to consumers or competition and is not reasonably avoidable by consumers. As a result, the complaint alleges that respondent's practice was an unfair act or practice.

The Commission has substantial concern about advertising that depicts conduct that poses a high risk to health and safety. As a result, the Commission will closely scrutinize such advertisements in the future.

The consent order contains provisions designed to remedy the violations charged. Part I of the order prohibits respondent from future dissemination of the television advertisements attached to the complaint as Exhibits A and B, or of any other advertisement that a) depicts a person having consumed or consuming alcohol on a boat while engaging in activities that pose a substantial risk of serious injury from falling overboard or b) depicts activities that would violate 46 U.S.C. 2302(c). The cited statute, 46 U.S.C. 2302(c), makes it illegal to operate a vessel under the influence of alcohol or illegal drugs.

The remaining parts of the order contain standard record keeping (Part II); order distribution (Part III); notification of corporate change (Part IV); compliance report filing (Part V) and sunset (Part VI) provisions.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

By direction of the Commission.

Benjamin I. Berman,

Acting Secretary.

Statement of Commissioner Mozelle W. Thompson

Today, the Commission voted to accept a consent agreement with Beck's North America, Inc. (''Beck's'') in File Number 982–3092 on grounds that Beck's disseminated or caused to be disseminated unfair television advertisements. I joined in that vote. I also believe, however, that the advertisements at issue were deceptive. The Commission has defined deceptive advertising as ''that which contains a representation, omission or practice that is likely to mislead the consumer acting reasonably in the circumstances, to the consumer's detriment.'' [1] In my view, the Beck's television advertisements if this definition.

First, I believe the advertisements imply to reasonable targeted consumers that consuming alcohol while boating is appropriate and/or safe. In fact, the actors begin one advertisement by stating ''Wanna have some fun? Mix hot music, cool people, [a] big boat and a great German beer.'' Unfortunately, the advertisement does not disclose that consuming alcohol while boating poses a heightened danger not only to the boat operator, but also to passengers. It also fails to disclose that such behavior may violate applicable Federal boating laws.[2] Second, as evidenced by the actors and the language portrayed in the advertisement, I believe that the message is targeted at a youthful audience. Accordingly, it can be justifiably inferred that a reasonable youthful consumer could easily be deceived by not appreciating the danger of imitating the behavior featured in the television advertisements.

For these reasons, I would find that the Beck's advertisements were deceptive as well as unfair under Section 5 of the FTC Act.

[1] *See Cliffdale Associates, Inc.,* 103 F.T.C. 110, 176 (1984) *Appeal dismissed sub nom., Kovan v. FTC,* No. 84–5337 (11th Cir. Oct. 10, 1984) (*Deception Statement*).

[2] This problem has become so serious that the U.S. Coast Guard has recently launched a new campaign to better inform the public of the dangers of mixing boating and alcohol.

[FR Doc. 98–21612 Filed 8–11–98; 8:45 am]

BILLING CODE 6750–01–M

FEDERAL TRADE COMMISSION

[File No. 971–0065]

Fair Allocation System, Inc.; Analysis to Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed consent agreement.

SUMMARY: The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices or unfair methods of competition. The attached Analysis to Aid Public Comment describes both the allegations in the draft complaint that accompanies the consent agreement and the terms of the consent order—embodied in the consent agreement—that would settle these allegations.

DATES: Comments must be received on or before October 13, 1998.

ADDRESSES: Comments should be directed to: FTC/Office of the Secretary, Room 159, 6th St. and Pa. Ave., N.W., Washington, D.C. 20580.

FOR FURTHER INFORMATION CONTACT: William Baer, FTC/H–374, Washington, D.C. 20580, (202) 326–2932; or Charles Harwood, Federal Trade Commission, Seattle Regional Office, 915 Second Avenue, Suite 2896, Seattle, WA 98174, (206) 220–4480.

SUPPLEMENTARY INFORMATION: Pursuant to Section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and Section 2.34 of the Commission's Rules of Practice (16 CFR 2.34), notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for August 5, 1998), on the World Wide Web, at ''http://www.ftc.gov/os/actions97.htm.'' A paper copy can be obtained from the FTC Public Reference Room, Room H–130, Sixth Street and Pennsylvania Avenue, N.W., Washington, D.C. 20580, either in person or by calling (202) 326–3627. Public comment is invited. Such comments or views will be considered