

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Steves Distributing, LLC, et al, FTC File No. 202 3065

The Federal Trade Commission (“FTC” or “Commission”) has accepted, subject to final approval, an agreement containing a consent order with Steves Distributing, LLC, a limited liability company doing business as “Steves Goods,” and Steven Taylor Schultheis, individually and as an officer and owner of Steves Distributing, LLC (collectively, “Respondents”).

The proposed consent order (“Order”) has been placed on the public record for 30 days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After 30 days, the Commission will again review the Order and the comments received, and will decide whether it should withdraw the Order or make it final.

This matter involves the Respondents’ advertising of cannabidiol (“CBD”) and cannabigerol (“CBG”), cannabinoid compounds found in hemp and cannabis. The complaint alleges that Respondents violated Sections 5(a) and 12 of the FTC Act by disseminating false and unsubstantiated advertisements claiming that: (1) CBD and CBG products can effectively

Commission and to provide notice of the Order to customers, affiliates and other resellers.

Provision XI requires an acknowledgement of receipt of the Order. It also requires the individual Respondents to deliver a copy of the Order to certain individuals in any business for which they are the majority owner or which they control directly or indirectly.

Provisions XII, XIII, and XIV provide the required reporting, recordkeeping, and compliance monitoring programs that must be put in place.

Provision XV explains when the Order is final and effective.

The purpose of this analysis is to facilitate public comment on the Order, and it is not intended to constitute an official interpretation of the complaint or order, or to modify the order's terms in any way.