



# Clorox Files False-Advertising Lawsuit Against the Maker of Lysol

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OAKLAND, Calif., March 20, 2019 /PRNewswire/ -- The Clorox Company (NYSE:CLX) today announced it has filed a lawsuit against Reckitt Benckiser (RB) in response to a wide-ranging false and deceptive advertising campaign for RB's Lysol brand. According to the lawsuit, RB's campaign is designed to mislead consumers to purchase RB's products instead of Clorox products based on misinformation.

"Consumers deserve truthful information," said Eric Reynolds, executive vice president – Cleaning and Burt's Bees, "and advertising that can help them make the product choices that are best for their households. We're not opposed to competitive advertising, but we are opposed to advertising designed to mislead. Not only do RB's ads falsely claim that Lysol products are superior, they disparage the well-established effectiveness and value of Clorox products."

According to the lawsuit, RB's television, internet and social media advertising features numerous deceptive comparisons to Clorox products, and represents Lysol products as having performance advantages they do not have. The ads confuse consumers and seek to erode Clorox's hard-earned reputation as a manufacturer of effective, user-friendly products.

The lawsuit, filed in federal court in the Northern District of California, seeks a court order halting the deceptive ads and requiring RB to surrender the profits it has earned as a result of them. The lawsuit also requests corrective advertising, unspecified damages and attorneys' fees.

"The egregious and misleading nature of their campaign compelled us to file this lawsuit," Reynolds went on to say. "We owe it to our consumers, employees, customers and shareholders to hold RB accountable for attempting to gain unfair competitive advantage through these deceptive practices."

To view a copy of the lawsuit, [click here](#). For more information on Clorox® branded products, [click here](#).

## The Clorox Company

The Clorox Company (NYSE: CLX) is a leading multinational manufacturer and marketer of consumer and professional products with approximately 8,700 employees worldwide and fiscal year 2018 sales of \$6.1 billion. Clorox markets some of the most trusted and recognized consumer brand names, including its namesake bleach and cleaning products; Pine-Sol® cleaners; Liquid Plumr® clog removers; Poett® home care products; Fresh Step® cat litter; Glad® bags, wraps and containers; Kingsford® charcoal; Hidden Valley® dressings and sauces; Brita® water-filtration products; Burt's Bees® natural personal care products; RenewLife® digestive health products; and Rainbow Light®, Natural Vitality® and Neocell® dietary supplements. The company also markets brands for its industry-leading healthcare and commercial cleaning products under the CloroxPro™ and Clorox Healthcare® names. More than 80 percent of the company's sales are generated from brands that hold the No. 1 or No. 2 market share positions in their categories.

Clorox is a signatory of the United Nations Global Compact, a community of global leaders committed to sustainability. The company has been broadly recognized for its corporate responsibility efforts, included on CR Magazine's 2018 100 Best Corporate Citizens list, Barron's 2019 100 Most Sustainable Companies list, the Human Rights Campaign's 2018 Corporate Equality Index and the 2019 Bloomberg Gender Equality Index, among others. In support of its communities, The Clorox Company and its foundations contributed about \$20 million in combined cash grants, product donations and cause marketing in fiscal year 2018. For more information, visit [TheCloroxCompany.com](http://TheCloroxCompany.com), including the Good Growth blog, and follow the company on Twitter at @CloroxCo.

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## Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such forward-looking statements involve risks and uncertainties. Except for historical information, statements about future volumes, sales, foreign currencies, costs, cost savings, margins, earnings, earnings per share, including as a result of the Nutranext acquisition, diluted earnings per share, foreign currency exchange rates, tax rates, cash flows, plans, objectives, expectations, growth or profitability are forward-looking statements based on management's estimates, beliefs, assumptions and projections. Words such as "could," "may," "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "predicts," and variations on such words, and similar expressions that reflect our current views with respect to future events and operational, economic and financial performance are intended to identify such forward-looking statements. These forward-looking statements are only predictions, subject to risks and uncertainties, and actual results could differ materially from those discussed. Important factors that could affect performance and cause results to differ materially from management's

expectations are described in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2018, as updated from time to time in the Company's Securities and Exchange Commission filings. These factors include, but are not limited to: intense competition in the Company's markets; the impact of the changing retail environment, including the growth of e-commerce retailers, hard discounters and other alternative retail channels; volatility and increases in commodity costs such as resin, sodium hypochlorite and agricultural commodities, and increases in energy, transportation or other costs; the ability of the Company to drive sales growth, increase prices and market share, grow its product categories and manage favorable product and geographic mix; dependence on key customers and risks related to customer consolidation and ordering patterns; risks related to the Company's use of and reliance on information technology systems, including potential security breaches, cyber-attacks, privacy breaches or data breaches that result in the unauthorized disclosure of consumer, customer, employee or Company information, or service interruptions; the Company's ability to maintain its business reputation and the reputation of its brands; risks relating to acquisitions, new ventures and divestitures, and associated costs, including the potential for asset impairment charges related to, among others, intangible assets and goodwill; and the ability to complete announced transactions and, if completed, integration costs and potential contingent liabilities related to those transactions, including those related to the Nutranext acquisition; lower revenue or increased costs resulting from government actions and regulations, including as a result of a prolonged U.S. government shutdown; the ability of the Company to successfully manage global political, legal, tax and regulatory risks, including changes in regulatory or administrative activity and as a result of the Nutranext acquisition; worldwide, regional and local economic and financial market conditions; risks related to international operations and international trade, including political instability; government-imposed price controls or other regulations; foreign currency fluctuations, including devaluation, and foreign currency exchange rate controls, including periodic changes in such controls; changes in U.S. immigration or trade policies, including tariffs, labor claims, labor unrest and inflationary pressures, particularly in Argentina; potential negative impact and liabilities from the use, storage and transportation of chlorine in certain international markets where chlorine is used in the production of bleach; and the possibility of nationalization, expropriation of assets or other government action; the ability of the Company to innovate and to develop and introduce commercially successful products; the impact of product liability claims, labor claims and other legal or tax proceedings, including in foreign jurisdictions; the ability of the Company to implement and generate cost savings and efficiencies; the success of the Company's business strategies; risks related to additional increases in the estimated fair value of The Procter & Gamble Company's (P&G's) interest in the Glad® business such as the significant increases over fiscal year 2018 primarily due to the Tax Cuts and Jobs Act (Tax Act) and the extension of the venture agreement with, and the related R&D support provided by, P&G; the Company's ability to attract and retain key personnel; supply disruptions and other risks inherent in reliance on a limited base of suppliers; environmental matters, including costs associated with the remediation and monitoring of past contamination, and possible increases in costs resulting from actions by relevant regulators, and the handling and/or transportation of hazardous substances; the impact of natural

disasters, terrorism and other events beyond the Company's control; the Company's ability to maximize, assert and defend its intellectual property rights; any infringement or claimed infringement by the Company of third-party intellectual property rights; the on-going effects of the Tax Act on the Company, including as a result of any additional Congressional, administrative or other actions, or other guidance related to the Tax Act; uncertainties relating to tax positions, tax disputes and changes in the Company's tax rate; the effect of the Company's indebtedness and credit rating on its business operations and financial results; the Company's ability to pay and declare dividends or repurchase its stock in the future; the Company's ability to maintain an effective system of internal controls; the impacts of potential stockholder activism; the accuracy of the Company's estimates and assumptions on which its financial projections are based; and risks related to the Company's discontinuation of operations in Venezuela.

The Company's forward-looking statements in this press release are based on management's current views, beliefs, assumptions and expectations regarding future events and speak only as of the dates when made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by the federal securities laws.

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