

WASHINGTON, D.C. 20460

OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

September 22, 2023

J&G MANUFACTURING, LLC Attn: Glenn Asaff 8028 San Simeon Way Naples, Florida 34109

J&G MANUFACTURING, LLC Attn: James Stanley 421 Top O Pinnacle Drive Clayton, Georgia 30525

LEGALINC CORPORATE SERVICES INC. 476 Riverside Avenue Jacksonville, Florida 32202

Re: Stop Sale, Use, or Removal Order Issued to J&G Manufacturing, LLC

To Whom it May Concern:

Enclosed is a Stop Sale, Use, or Removal Order (Order) issued by the U.S. Environmental Protection Agency to J&G Manufacturing for sale or distribution of multiple unregistered and misbranded pesticide products. The products are listed in the Order and collectively referred to as "WoodLock BioShield" or "WLBS." The enclosed Order requires J&G Manufacturing to stop all distribution and sale of WLBS products except as permitted by the Order, which is <u>effective immediately upon receipt</u>.

Section 13(a) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), 7 U.S.C. § 136k(a), authorizes the Administrator of EPA to issue an order prohibiting the sale, use, or removal of any pesticide by any person who owns, controls, or has custody of such pesticide whenever there is reason to believe that the pesticide is in violation of any provision of FIFRA or has been or is intended to be distributed or sold in violation of any provision of FIFRA.

The EPA has reason to believe that J&G Manufacturing has previously and intends to continue distributing or selling unregistered pesticide products intended to prevent, destroy, repel, or mitigate the growth of mold on wood products, which is an unlawful act under section 12(a)(1)(A) of FIFRA, 7 U.S.C. § 136j(a)(1)(A). The EPA has reason to believe that the same products are misbranded for multiple reasons, specifically because the product labeling contains false or misleading statements. The sale or distribution of a misbranded pesticide is an unlawful act under section 12(a)(1)(E) of FIFRA, 7 U.S.C. § 136j(a)(1)(E).

Any violation of FIFRA and the terms or provisions of this Order may result in imposition of civil penalties up to \$23,494 per violation or the imposition of criminal penalties pursuant to section 14 of FIFRA, 7 U.S.C. § 1361. The issuance of this Order shall not act as a waiver by the EPA of any available lawful authority, enforcement or otherwise, including authority to seek civil penalties for alleged violations contained in this Order under section 14(a) of FIFRA, 7 U.S.C. § 1361(a).

Documents or information provided to the EPA may be entitled to a claim of business confidentiality ("CBI claim") covering any part or all of the information. The EPA may make any information received available to the public without further notice unless a CBI claim is made at the time of submission. Information subject to a CBI claim will be made available to the public only in accordance with 40 C.F.R. pt. 2, subpt. B. Any assertion of a CBI claim must be made as described in 40 C.F.R. § 2.203(b).

EPA has not determined whether recipient is a "small business" under the Small Business Regulatory Enforcement and Fairness Act ("SBREFA"). Additional information is provided in <u>EPA's Small Business</u> <u>Resources Information Sheet</u>, which includes information on (1) contacting the SBREFA Ombudsman to comment on federal enforcement and compliance activities and (2) compliance assistance. It also notes that any decision to participate in such program or to seek compliance assistance does not relieve any obligation to respond to an EPA information request or other enforcement action in a timely manner. Nor does it create any new legal rights or defenses.

Questions concerning this matter and submission of information subject to a CBI claim may be directed to Kimberly Tonkovich, Compliance Officer, via email at tonkovich.kimberly@epa.gov or to Haley Todd, Attorney, via email at todd.haley@epa.gov or via phone at (202) 564-1580.

Sincerely,

Gregory Sullivan, Director Waste and Chemical Enforcement Division Office of Civil Enforcement Office of Enforcement and Compliance Assurance U.S. Environmental Protection Agency

Enclosure(s): SSURO Issued to J&G Manufacturing

Cc: Glenn Asaff, J&G Manufacturing Chief Operating Officer (*asaffglenn@gmail.com*) Jim Stanley, J&G Manufacturing Chief Executive Officer (*gtjim1972@gmail.com*)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE

IN THE MATTER OF:

J & G Manufacturing, LLC Naples, Florida

Respondent

STOP SALE, USE, OR REMOVAL ORDER Docket No. FIFRA-HQ-2023-5013

I. <u>AUTHORITY</u>

1. The Environmental Protection Agency (EPA) regulates pesticide and pesticide devices pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act, as amended ("FIFRA"), 7 U.S.C. §§ 136-136y.

2. Section 13(a) of FIFRA authorizes the Administrator of the EPA to issue an order prohibiting the sale, use, or removal or any pesticide or device by any person who owns, controls, or has custody of such pesticide or device whenever there is reason to believe, on the basis of inspection or tests, that the pesticide or device is in violation of any provision of FIFRA or the pesticide or device has been or is intended to be distributed or sold in violation of any provision of FIFRA. 7 U.S.C. § 136k(a).

3. This authority has been delegated from the EPA Administrator to the Director and Associate Director of the Waste and Chemical Enforcement Division, Office of Civil Enforcement, Office of Enforcement and Compliance Assurance.

II. GOVERNING LAW

4. Sections 3(a) and 12(a)(1)(A) of FIFRA provide that it is unlawful for any person in any state to distribute or sell to any person a pesticide that is not registered under FIFRA subject to certain exemptions not relevant to this matter. 7 U.S.C. §§ 136a(a), 136j(a)(1)(A).

5. "Person" means "any individual, partnership, association, corporation, or any organized group or persons whether incorporated or not." 7 U.S.C. § 136(s).

6. "To distribute or sell" means to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, release for shipment, or receive and (having so received) deliver or offer to deliver. 7 U.S.C. § 136(gg); 40 C.F.R. § 152.3.

7. "Pesticide" is defined in part as "any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest." 7 U.S.C. § 136(u).

8. "A substance is considered to be intended for a pesticidal purpose, [i.e., used for the purpose of preventing, destroying, repelling, or mitigating any pest,] and thus a pesticide requiring registration, if: (A) The person who distributes or sells the substance claims, states, or implies (by labeling or otherwise): (i) That the substance (either by itself or in combination with any other substance) can or should be used as a pesticide; or . . . (C) The person who distributes or sells the substance has actual or constructive knowledge that the substance will be used, or is intended to be used, for a pesticidal purpose." 40 C.F.R. § 152.15.

The term "active ingredient" refers to an ingredient in a pesticide other than a plant regulator, defoliant, desiccant, or nitrogen stabilizer that will prevent, destroy, repel, or mitigate any pest.
7 U.S.C. §136(a).

10. "Pest" means any insect, rodent, nematode, fungus, weed, any other form of terrestrial or aquatic plant or animal life or virus, bacteria, prion, or other micro-organisms (except viruses, bacteria, or other micro-organisms on or in living man or other living animals and those on or in processed food or processed animal feed, beverage, drugs, and cosmetics) which the Administrator declares to be a pest under section 25(c)(1). 7 U.S.C. § 136(t); 40 C.F.R. § 152.5.

11. Section 12(a)(1)(E) of FIFRA provides that it is unlawful for any person in any State to distribute or sell to any person any pesticide that is adulterated or misbranded. 7 U.S.C. § 136j(a)(1)(E).

12. A pesticide is "misbranded" for several reasons, including if its labeling bears any statement, design or graphic representation relative thereto or to its ingredients which is false or misleading in any particular, including pesticidal and non-pesticidal claims. 7 U.S.C. 136(q)(1)(A).

13. "Label" means "the written, printed, or graphic matter on, or attached to, the pesticide or device or any ot its containers or wrappers." 7 U.S.C. § 136(p)(1).

14. "Labeling" includes "all labels and all other written, printed, or graphic matter accompanying the pesticide or device at any time, or to which reference is made on the label or in literature accompanying the pesticide or device." 7 U.S.C. § 136(p)(2).

III. BASIS FOR THE ORDER

15. Respondent is J&G Manufacturing, LLC, a limited liability company registered in Florida with a principal place of business at 8028 San Simeon Way, Naples, Florida 34103. Respondent is therefore a "person" as defined under 7 U.S.C. § 136(s).

16. The EPA received a complaint in 2019 alleging that Respondent engaged in the production, sale, and distribution of multiple pesticide products under various names, all intended to be used for the same purpose. The products include, (1) Endurance Bio Barrier; (2) Pallet Guard; (3) WoodLock; (4) BioShield I; (5) WoodLock BioShield II; (6) WLBS-E; (7) WLBS-S; (8) WLBS-H; (9) WLBS 100:1; and (10) WLBS regular. Products are collectively referred to herein in as "WLBS" or "WoodLock BioShield."

17. Respondent was sued in the United States District Court for the Eastern District of Virginia Richmond Division for making false or misleading claims as to the safety, environmental impact, and the regulatory status of the products being investigated by the EPA. Compl. at 26-31, *ISK Biocides, Inc. v. Pallet Machinery Group Inc. & J&G Manufacturing LLC*, No. 3:21-CV-00386 (E.D. Va. 2021). The products at issue in the above case are the same as those subject to this Order.

18. The EPA opened an investigation and reviewed the publicly available docket contents in the aforementioned court proceeding, including depositions, internal communications, advertisements, product labels and labeling, and sales records.

 An authorized representative of EPA inspected both facilities that Respondent contracted to produce WLBS. On May 10, 2023, EPA inspected Specialty Adhesives located in Memphis, Tennessee.
The EPA inspected RB Manufacturing, located in Baileyton, Alabama, on May 11, 2023.

20. Respondent initially contracted with Specialty Adhesives to produce WLBS. Respondent later contracted with RB Manufacturing for WLBS production.

SALE OR DISTRIBUTION OF UNREGISTERED PESTICIDES

21. Based upon review of the court docket contents and inspections reports, the EPA has reason to believe that WLBS is a substance or mixture of substances intended to prevent, destroy, repel, or mitigate the growth of mold or mildew on wood.

22. Respondent provided a signed document used in marketing materials to promote the purchase of WLBS stating that:

J&G Manufacturing LLC is the owner and creator of Endurance Bio barrier and WoodLock Bio Shield. Endurance Bio Barrier is a ready to use formulation that is exclusively sold to the consumer through retail outlets. WoodLock Bio shield is a commercial product that is sold for wood preservation for commercial use only. The active ingredients in both products are identical, and both products are designated GRAS. The only difference is that WoodLock Bio Shield is produced and sold as a concentrate in bulk containers for field dilution for dipping, spraying, and other methods of application, primarily for the pallet industry.

23. In an email from Glenn Asaff (Respondent's Chief Operating Officer) to a Virginia Tech associate professor on October 29, 2020, Respondent stated that they would "like to initiate a test of our newest antifungal solution to be used as a wood preservative" using the "ASTM D4445 testing standards applied to green pine." The ASTM International D4445 Standard is the "Test Method for Fungicides for Controlling Sapstain and Mold on Unseasoned Lumber." The test results were included in information packages sent to prospective customers and in articles and advertisements approved by Respondent.

24. Respondent provided a promotional presentation to a potential distributor titled "WoodLock Bio Shield. A New Approach to Mold, Mildew, and Odor Protection." The presentation continues with a statement that WLBS "is uniquely formulated with three anti-microbials to defeat fungal formation" and that the "unique properties of the coating ionically bond and encapsulate the fungicide, at the same time adhering to the treated product (in this instance wood)."

25. Based on the preceding paragraphs and other information available to EPA, EPA has reason to believe that WLBS is intended to be used to prevent, repel, destroy, or mitigate the growth of mold on wood pallets.

26. Inspection records from RB Manufacturing included orders for WLBS through 2023.

27. WLBS has never been and is not currently registered with the EPA as a pesticide.

28. Therefore, the EPA has reason to believe that Respondent has previously and continues to sale or distribute the unregistered pesticide known as WLBS, in violation of FIFRA section 12(a)(1)(A). 7 U.S.C. § 136j(a)(1)(A).

SALE OR DISTRIBUTION OF MISBRANDED PESTICIDES

29. Upon review of the on-product label and safety data sheet (SDS) distributed with each product, EPA has reason to believe that the WLBS products sold or distributed by Respondent are also misbranded because its labeling contained multiple false and misleading statements, in violation of FIFRA section 12(a)(1)(E). 7 U.S.C. §§ 136(q), 136j(a)(1)(E).

30. WLBS labeling contained false and misleading statements about the product's composition. For example, all product labeling stated that "[t]here are no GHS label elements" and "no hazardous materials requiring reporting."¹

31. Inspection records and court documents indicated that WLBS products were composed of various formulas including at least following active ingredients: (1) octhilinone (OIT); (2) 5-Chloro-2methyl-3(2H)-isothiazolone (CMIT); (3) 2-Methyl-3(2H)-isothiazolone (MIT); and (4) 3-Iodo-2-propynyl butylcarbamate (IPBC). GHS label guides indicate that all WLBS active ingredients are considered hazardous chemicals. All active ingredients require pictograms, such as possible corrosion, acute toxicity, and environmental hazards. "Danger" is the GHS signal word for every active ingredient, and every active ingredient is assigned multiple required hazard statements.

¹ GHS refers to the United Nations' Globally Harmonized System of Classification and Labelling of Chemicals. GHS label elements generally include pictograms, a signal word, and various hazard statements.

32. WLBS labeling contained false and misleading statements about the product's safe use. For example, WLBS labeling stated that no acute health effects were expected from use of WLBS and that the symptoms of acute exposure to WLBS include "mild eye and skin irritation."

33. However, each active ingredient is assigned by EPA a Toxicity Category I for eye irritation. Toxicity Category I is the highest, indicating the active ingredient is highly toxic and severely irritating. Additionally, OIT, CMIT, and MIT are Toxicity Category I for both skin and eye irritation and are known to cause allergic contact dermatitis.

34. WLBS labeling also falsely or misleadingly stated that there are "no harmful [ecological] effects known [from use of WLBS] other than those associated with suspended inert solids in water." However, every active ingredient used in WLBS has been found by the EPA to be highly toxic to aquatic plants, fish, and aquatic invertebrates.

35. Therefore, EPA has reason to believe that WLBS product labeling contains multiple false or misleading statements in violation of FIFRA section 12(a)(1)(E). 7 U.S.C. § 136j(a)(1)(E).

IV. ORDER

36. Respondent is hereby ordered to immediately cease any distribution, sale, use, or removal of all WLBS branded products and active ingredients used to create such products that are within Respondent's ownership, custody, or control, wherever physically located. This includes (1) Endurance Bio Barrier; (2) Pallet Guard; (3) WoodLock BioShield I; (4) WoodLock BioShield II; (5) WLBS-E; (6) WLBS-S; (7) WLBS-H; (8) WLBS 100:1; (9) WLBS Regular; (10) Bio Barrier; and (11) any other substances that incorporate any pesticide or are intended to be mixed with any pesticide.

37. No WLBS products shall be distributed, sold, offered for sale, held for sale, shipped, delivered for shipment, received, delivered, offered for delivery, moved, used, or removed for any reason unless in accordance with this Order and any written modifications to this Order.

38. This Order shall pertain to all inventory of WLBS products that are within the ownership, control, or custody of Respondent, wherever located.

39. Respondent shall provide the following information to the EPA within 30 days of receipt of this Order. Submissions and questions concerning submission should be sent to Kimberly Tonkovich, Compliance Officer, at tonkovich.kimberly@epa.gov.

- Inventory, including locations, quantities, and container sizes for all WLBS products and active ingredients subject to this Order.
- (B) List of all WLBS products and their corresponding chemical composition.
- (C) Distribution records for all WLBS products subject to this Order.
- (D) All safety data sheets and labels provided with sales or distributions of products subject to this Order.

V. OTHER MATTERS

40. This Order shall be effective immediately upon receipt by Respondent or an authorized agent and shall remain in effect until revoked, terminated, suspended, or closed in writing by the EPA.

41. Respondent may seek judicial review of this Order under section 16 of FIFRA. 7 U.S.C. §136n.

42. Any violation of this Order may result in civil or criminal penalties pursuant to section 14 of FIFRA. 7 U.S.C. § 1361.

43. The issuance of this Order shall not constitute a waiver by the EPA of its remedies, either judicial or administrative, under FIFRA or any other federal environmental law to address this matter or any other matters or unlawful acts not specified in this Order.

44. Respondent may assert a business confidentiality claim (CBI claim) covering all or part of the information provided as part of this Order if such information meets the requisite criteria and is submitted according to 40 C.F.R. § 2.203(b). Information properly subject to a CBI claim may be made available to the public only in accordance with 40 C.F.R. Part 2, Subpart B. Otherwise, information submitted to the EPA may be made available to the public without further notice.

45. For any additional information about this Order, please contact Haley Todd via email at todd.haley@epa.gov or via phone at (202) 564-1580.

9/22/2023

Date

Gregory Sullivan, Director Waste and Chemical Enforcement Division Office of Civil Enforcement Office of Enforcement and Compliance Assurance U.S. Environmental Protection Agency