

Order

35 F. T. C.

IN THE MATTER OF

BIGELOW-SANFORD CARPET COMPANY, INC.

MODIFIED CEASE AND DESIST ORDER

Docket 4207. Order, Sept. 4, 1942

Order modifying, as below set forth, cease and desist order in proceeding in question in which original findings and order issued on May 26, 1942, 34 F. T. C. 1252, 1260, so as to require respondent, its officers, etc., in connection with offer, etc., in commerce, of rugs, to cease and desist from—

- (a) Using the words "Perslamar" or "Kashamar," or any other word or name indicative of the Orient, to mark, etc., or to refer to rugs not there made and which do not possess all the essential characteristics and structure of the type of oriental rug which they purport to be;
- (b) Using the words "true copies," etc., or any other words of similar import to designate or describe rugs which are not replicas or duplicates of original oriental rugs in every respect, or representing in any manner that the rugs made and sold by it are true copies of museum Orientals or are reproductions of Orientals; and
- (c) Furnishing dealers buying its rugs with advertising copy for insertion by them in newspapers and other publications of general circulation which state, with reference thereto, "True copies of Sarouks, Kirmans, and Persians"; "Perfect copies of collectors' Orientals"; "Oriental rugs reproduced by those clever Bigelow weavers"; "True copies of museum Orientals"; and "Amazing reproductions from the original Orientals."

Mr. Randolph W. Branch for the Commission.

Wright, Gordon, Zachry, Parlin & Cahill, of Washington, D. C., for respondent.

MODIFIED ORDER TO CEASE AND DESIST

The Federal Trade Commission having further considered the order to cease and desist heretofore issued in the above-entitled cause on the 26th day of May, A. D. 1942, and it appearing to the Commission that paragraph 2 of said order to cease and desist was indefinite and incomplete and that public interest required that said cause be reopened for the purpose of correcting said paragraph by the issuance of a modified order to cease and desist; and the Commission having heretofore entered its order upon the respondent to show cause within 10 days from date of service of said order, why a modified order to cease and desist should not be issued by the Commission amending said paragraph 2 of the order issued May 26, 1942, and 10 days having elapsed since date of service of said order to show cause and no objections having been filed by the respondent;

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and the Commission having considered the record and being now fully advised in the premises.

It is ordered, That the respondent, Bigelow-Sanford Carpet Co., Inc., a corporation, its officers, directors, representatives, agents, and employees, jointly or severally, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of rugs or carpets in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "Persiamar" or "Kashamar," or any other word or name indicative of the Orient, to mark, designate, describe, or refer to rugs not made in the Orient and which do not possess all the essential characteristics and structure of the type of oriental rug which they purport to be.

2. The use of the words "true copies," "perfect copies," "reproductions," or any other words of similar import, to designate or describe rugs which are not replicas or duplicates of original oriental rugs in every respect.

3. Representing in any manner that the rugs manufactured and sold by it are true copies of museum oriental rugs, or that they are reproductions of oriental rugs;

4. Furnishing dealers buying its rugs with advertising copy intended to be inserted by such dealers in newspapers and other publications of general circulation, which contain one or more of the following statements with reference to respondent's rugs: "True copies of Sarouks, Kirman's and Persians"; "Perfect copies of collectors' Orientals"; "Oriental rugs reproduced by those clever Bigelow weavers"; "True copies of museum Orientals"; "Amazing reproductions from the original Orientals."

It is further ordered, That the respondent shall, within 60 days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

. IN THE MATTER OF
SPECIALTY ACCOUNTING SUPPLY MANUFACTURERS
ASSOCIATION ET AL.

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914

Docket 4538. Complaint, Dec. 11, 1941.¹—Decision, Sept. 9, 1942

Where some 30 concerns, members of their unincorporated trade association, engaged in the manufacture and interstate sale and distribution of "printed stationery," i. e., (1) sales books, (2) continuous forms for use in billing machines, typewriters, or other office equipment, and (3) autographic registry stationery consisting of multiple sets of business forms for use in business recording machines; and in competition among themselves and with jobber and subjobber sellers of such products, except insofar as such competition had been restrained or eliminated as below set forth—

- (a) Agreed and conspired among themselves to organize and maintain, and did maintain, an unlawful combination to eliminate competition in the sale and distribution of their "printed stationery;" and in pursuance thereof—
- (1) Made use of their said trade association as an instrument for their said joint purpose and action;
- (2) Agreed to and did concertedly fix and maintain prices, terms, and conditions of sale, and agreed to refrain from selling their products to jobbers and subjobbers who failed to observe and maintain such agreed prices, terms, and conditions; and agreed to and did make use of espionage, coercion, and cooperation in dealing with such jobbers and subjobbers, with intent and effect of enforcing such adherence; and exchanged and circulated lists of "recognized" jobbers and dealers;
- (3) With intent and effect of diverting trade from nonmember competitors, gave special and valuable inducements to customers of nonmember manufacturers while denying such inducements to customers of member manufacturers; and operated "bogus independents" under the sponsorship and direction of certain of their own members through outright ownership, financial and contractual affiliations, and otherwise;
- (4) Allocated and divided business among themselves; and entered into cross-licensing agreements and other licensing arrangements in connection with the claims of certain of their number under patents, pursuant to which they agreed that they would maintain prices, terms, and conditions of sale;
- (5) Agreed to and did hold meetings under the auspices of their association, and through it and its officers, etc., cooperated with one another and with their jobbers and subjobbers in furthering and carrying out the acts, practices, and policies above set forth;
- (6) Agreed to and did cooperate with each other in utilizing the facilities and agents of their association in formulating and using "open price plans" and "reporting plans," pursuant to which they made known to the

¹ Amended.