

Order

IN THE MATTER OF

JOSEPH SALADOFF AND SARA SALADOFF, TRADING AS
NOVELTY PREMIUM COMPANY

MODIFIED CEASE AND DESIST ORDER

Docket 3505. Order, August 16, 1944

Modified order, in proceeding in question, in which original order issued on November 18, 1940, 31 F. T. C. 1379, requiring respondents, in connection with offer, etc., in commerce, of candy, watches, and various other articles of merchandise, to cease and desist from supplying lottery devices or schemes for use in connection with the sale of their merchandise, from the use of the terms "free" or "at absolutely no cost," and from falsely representing that they pay shipping charges, as in said order specified.

MODIFIED ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, testimony and other evidence taken before Randolph Preston, an examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint (respondents having offered no proof in opposition thereto), brief filed herein by counsel for the Commission (respondents not having filed brief and oral argument having been waived), and the Commission having duly made and issued its findings as to the facts, conclusion and order to cease and desist dated November 18, 1940; and the Commission having further considered said order to cease and desist heretofore issued, and being of the opinion that the public interest requires that a modified order to cease and desist should be issued in said cause; and the Commission having given due notice to the respondents to show cause on July 24, 1944, why this case should not be reopened for the purpose of modifying said order to cease and desist; and the Commission having considered the matter and the record herein, and having issued its order modifying said order in certain respects, issues this its modified order to cease and desist.

It is ordered, That the respondents, Joseph Saladoff and Sara Saladoff, individually, and trading as Novelty Premium Co., or trading under any other name or names, their representatives, agents, and employees, directly or through any corporate or other device in connection with the offering for sale, sale and distribution of candy, watches, clocks, guns, baby buggies, quilts, aluminum ware, or any other articles of merchandise in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Supplying to or placing in the hands of others push or pull cards, punch boards or other devices which are to be used, or may be used, in the sale and distribution of said merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme.

2. Shipping, mailing or transporting to agents or to distributors or to members of the public, push or pull cards, punch boards, or other devices which are to be used, or may be used, in the sale and distribution of said merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme.

3. Selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme.

4. Using the terms "free" or "at absolutely no cost" or any other term or terms of similar import or meaning to describe or refer to articles offered as compensation for distributing respondents' merchandise.

5. Representing that respondents pay shipping charges on their merchandise, when in fact they do not pay such charges.

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

Order

IN THE MATTER OF
UNIVERSAL INDUSTRIES, INC., ET AL.

MODIFIED CEASE AND DESIST ORDER

Docket 3882. Order, August 16, 1944

Modified order in proceeding in question, in which original order issued on April 24, 1941, 32 F.T.C. 1270, requiring respondents, their officers, representatives, etc., in connection with the offer, etc., in commerce, of sales stimulator plans, or devices, including trade cards, circulars, and other advertising material, and tableware and other products used as premium merchandise in connection with the operation of any sales stimulator plan, to cease and desist from misrepresenting their financial condition, business history, price, value of products, and salesmen's earnings, and goods offered as compensation for service, as free or when not free, and misrepresenting the cost of the plan to the purchaser through failing to reveal additional payment required, as in said order specified.

MODIFIED ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of the respondents, testimony and other evidence taken before Miles J. Furnas, an examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, and report of the trial examiner thereon, and briefs filed herein, and the Commission having duly made and issued its findings as to the facts, conclusion and order to cease and desist dated April 24, 1941; and the Commission having further considered said order to cease and desist heretofore issued, and being of the opinion that the public interest requires that a modified order to cease and desist should be issued in said cause; and the Commission having given due notice to the respondents to show cause on July 24, 1944, why this case should not be reopened for the purpose of modifying said order to cease and desist; and the Commission having considered the matter and the record herein, and having issued its order modifying said order in certain respects, issues this its modified order to cease and desist.

It is ordered, That the respondent Universal Industries, Inc., a corporation, its officers, representatives, agents, and employees, the respondent, Abraham Leonard Koolish, an individual, and respondent George William Ehrlich, an individual, and their respective representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of sales stimulator plans or devices, including trade cards, circulars, and other advertising material, and tableware and other products used as premium merchandise in connection with the operation of any sales stimulator plan, do forthwith cease and desist from: