

Order

40 F. T. C.

IN THE MATTER OF
LOUIS FARBEN, TRADING AS GOLD STAR
NOVELTY HOUSE

MODIFIED ORDER TO CEASE AND DESIST

Docket 3449. Order, April 3, 1945

Modified order in proceeding in question—in which original order issued on November 15, 1940, 31 F. T. C. 1357—requiring respondent, his representatives, etc., in connection with the offer, etc., in commerce, of manicure sets, electric lamps, and other articles, to cease and desist from using lottery schemes in merchandising, from using terms “without cost,” etc., to refer to articles offered as compensation for distribution of his products, and from representing his business as registered under the laws of the United States, 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 (respondent having filed no answer thereto), 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 (respondent having offered no proof in opposition thereto), brief filed herein by counsel for the Commission (respondent 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 15, 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 respondent to show cause on March 13, 1945, 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, issues this its modified order to cease and desist.

It is ordered, That the respondent, Louis Farben, individually, and trading as Gold Star Novelty House, his representatives, agents and employees, directly or through any corporate or other device in connection with the offering for sale, sale or distribution of manicure sets, electric lamps, leather wallets, pictures, silverware and chinaware, cosmetics, jewelry, comb and brush sets, razor blades 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, punchboards, or other devices which are to be used or may be used in the sale or 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, punchboards or other devices which are to be used or may be used in the sale or 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 the use of push or pull cards, punchboards or other lottery devices.

4. Using the term "Without Cost," "free," or any other term of similar import or meaning, to describe or refer to articles offered as compensation for distributing respondent's merchandise.

5. Representing that respondent's business is registered under the laws of the United States.

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

IN THE MATTER OF

EDWARD W. BULLOCK, INDIVIDUALLY AND TRADING AS
BONDED JEWELERS OF AMERICA, AND GLADYS JOHN-
STON

MODIFIED ORDER TO CEASE AND DESIST

Docket 3459. Order, April 3, 1945

Modified order in proceeding in question—in which original order issued on December 21, 1938, 27 F. T. C. 1429— requiring respondents, their representatives, etc., in connection with the offer, etc., of rings, watches, and other jewelry products in commerce, to cease and desist from representing their business as bonded through their trade name or otherwise, from representing themselves as manufacturers, their rings as finished with white gold, etc., their products as “free,” etc., and from using term “free,” etc., 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 and the answer of the respondents, in which answer respondents admitted all material allegations of fact set forth in said complaint and stated that they waived all intervening procedure and further hearing as to said facts, and the Commission having duly made and issued its findings as to the facts, conclusion, and order to cease and desist dated December 21, 1938; and the Commission having further considered said order to cease and desist heretofore issued and having served upon respondents on February 13, 1945, due notice to appear and show cause at a time and place fixed why this case should not be reopened for the purpose of modifying said order to cease and desist in the manner and to the extent set out in said notice, to which respondents failed to make return; and having considered the matter and the record herein and concluded that the public interest requires such action, the Commission issues this its modified order to cease and desist.

It is ordered, That respondents, Edward W. Bullock and Gladys Johnston, their representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of rings, watches, and other jewelry products in interstate commerce or in the District of Columbia, do forthwith cease and desist from:

1. Representing, through the use of the trade name “Bonded Jewelers of America,” or any other words of similar import or meaning, or in any other manner, that the business operated by respondents is bonded, when such is not the fact.

2. Representing that the respondents, or either of them, are the manufacturers of the products sold by them, unless and until they actually own and operate, or directly and absolutely control, the manufacturing plant wherein such products are manufactured by them.

3. Representing, designating, or describing rings as “finished with white gold,” or “white gold finish,” or any word or words of similar import and meaning, unless such rings are actually finished in white gold.