

Order

IN THE MATTER OF

THE PARKER PEN CO.

MODIFIED CEASE AND DESIST ORDER

Docket 4338. Order, Feb. 9, 1948

Order, in accordance with decree below referred to, in proceeding in question in which original order issued on May 3, 1945, 40 F. T. C. 547, and in which the Circuit Court of Appeals for the Seventh Circuit, on December 17, 1946, in *The Parker Pen Co. v. Federal Trade Commission*, 159 F. (2d) 509, 43 F. T. C. 1190, rendered its opinion, and on June 6, 1947, issued its final decree modifying said cease and desist order—

Requiring respondent, its officers, etc., in connection with the offer, etc., of its fountain pens in commerce, to cease and desist from—

- (1) Using the words "Guaranteed for Life," etc., to designate, describe, or refer to its pens, or otherwise representing that such pens are unconditionally guaranteed for life, unless it does in fact make, without expense to the owner, any repairs or replacements which may be necessitated during the life of the owner by any cause other than willful damage or abuse;
- (2) Representing, etc., that its pens are unconditionally guaranteed for any designated period of time, subject to similar qualifications;
- (3) Representing that its pens contain fourteen less parts than other self-filling fountain pens, etc.;
- (4) Representing that the points on its pens are scratch-proof; or, as amended, as above set out,
- (5) Representing that its pens are guaranteed for life, or other designated period of time, where a charge is imposed by respondent for servicing said pens or for parts, unless the terms of limitation of the guarantee as imposed by respondent from time to time, including the amount of any charge that may be made, are placed close to the words "Guaranteed for Life," "Life Guaranteed," "Guaranteed Life Contract," "Life Contract Guaranteed," or any word or words of similar import, and in print of the same size as the other regular printed matter in its advertisements.

Before *Mr. Andrew B. Duvall*, trial examiner.

Mr. Karl Stecher for the Commission.

Jeffris, Mouat, Oestreich, Wood & Cunningham, of Janesville, Wis.,
for respondent.

MODIFIED ORDER TO CEASE AND DESIST

This day this proceeding came on again to be heard on the cease and desist order entered herein on the 3d day of May 1945; on the final decree of the United States Circuit Court of Appeals for the Seventh Circuit handed down on the 6th day of June 1947 modifying the afore-said cease and desist order; and the Commission this day having modified its former cease and desist order in conformity with and as directed by the said court;

Order

44 F. T. C.

Now, therefore, the Commission issues this, its modified order to cease and desist:

It is ordered, That the respondent, The Parker Pen Co., a corporation, and its officers, agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of respondent's fountain pens in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "Guaranteed for Life," "Life Guaranteed," "Guaranteed Life Contract," "Life Contract Guarantee," or any word or words of similar import, alone or in conjunction with any other word or words, to designate, describe, or refer to respondent's pens, or otherwise representing, directly or by implication, that such pens are unconditionally guaranteed for life, unless respondent does in fact make, without expense to the owner, any repairs or replacement of parts which may be necessitated during the life of the owner by any cause other than willful damage or abuse.

2. Representing, directly or by implication, that respondent's pens are unconditionally guaranteed for any designated period of time, unless respondent does in fact make, without expense to the owner, any repairs or replacement of parts which may be necessitated during such designated period by any cause other than willful damage or abuse.

3. Representing, directly or by implication, that respondent's pens contain fourteen less parts than other self-filling fountain pens; or that respondent's pens contain any smaller number of parts than other pens, when such is not the fact.

4. Representing, directly or by implication, that the points on respondent's pens are "Scratchproof."

5. Representing that its pens are guaranteed for life, or other designated period of time, where a charge is imposed by respondent for servicing said pens or for parts, unless the terms of limitation of the guaranty as imposed by respondent from time to time, including the amount of any charge that may be made, are placed close to the words "Guaranteed for Life," "Life Guaranteed," "Guaranteed Life Contract," "Life Contract Guaranteed," or any word or words of similar import, and in print of the same size as the other regular printed matter in its advertisements.

It is further ordered, That the respondent shall, within thirty (30) 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.

Syllabus

IN THE MATTER OF
BENJAMIN ROSENBERG, DOING BUSINESS AS
EUNICE MAIL ORDER HOUSE

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

Docket 5170. Complaint, June 2, 1944—Decision, Feb. 24, 1948

Where an individual engaged in the interstate sale and distribution of new, old, worn, and previously used articles of clothing of all types; through statements in catalogs, circulars, and other advertising material—

- (a) Represented that much of his merchandise was new, that the rest was only slightly used, and that any of said merchandise which needed it, had been cleaned, repaired, and pressed, and that all of it had been put in good condition for wear;

The facts being that many of the articles were in such a worn condition as to be unsuitable for wear, certain others were worn, torn, dirty, and dilapidated, and some of it was sold in a soiled condition without having been cleaned, repaired, or pressed;

- (b) Falsely represented that much of his merchandise had been obtained at bankrupt or stores' close-out sales; when in fact little if any had been thus obtained, and most of it was purchased from second-hand clothing dealers, peddlers, junk shop, and charitable institutions such as the Salvation Army and Yeshiva;

- (c) Falsely represented that certain dresses advertised as "silk dresses," were made wholly of silk, the product of the cocoon of the silkworm, when in fact they were composed in whole or in part of rayon or of materials other than silk;

- (d) Represented that certain of his dresses were new, obtained from New York's leading department stores, and made of the best material, through such expressions as "ladies' new dresses," "close-outs from New York's leading department stores," and "made of finest material," and thereby gave such merchandise a value in the minds of the purchasing public which it did not merit and would not otherwise have;

The facts being that a substantial portion of the dresses advertised as "new dresses," etc., were not new, nor obtained from such source, but were worn, inexpensive dresses made of ordinary or inferior materials;

- (e) Represented that purchasers of his said merchandise were regularly sent the sizes of dresses, suits, or other garments they ordered and that he guaranteed, upon request of any dissatisfied purchaser, to return promptly the money paid;

The facts being that many purchasers did not receive the sizes they ordered, since a substantial portion of his merchandise was purchased second-hand and contained no size numbers; and not all dissatisfied customers were refunded their money upon request;

With tendency and capacity to mislead a substantial portion of the purchasing public into the erroneous belief that said representations were true, and with effect of inducing thereby its purchase of his said products: