

IN THE MATTER OF
DISTINCTIVE EMBLEM & UNIFORM CORP. ET AL.

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket 6647. Complaint, Oct. 11, 1956—Decision, Mar. 1, 1957

Consent order requiring a corporation engaged in East Orange, N.J., in the sale of military uniforms and other military clothing which it purchased from others, to cease representing falsely through use of flyers, circulars, post cards, brochures, and letters circulated particularly among U.S. Air Force personnel, that it was a manufacturer of military clothing, a Quartermaster-authorized manufacturer of uniforms and other military clothing for the U.S. Air Force, that it specialized in custom-made military uniforms and other clothing, and that its "Shade No. 193 Air Force Uniforms" were made of fabrics approved by the U.S. Air Force.

Mr. Floyd O. Collins for the Commission.

Mr. William Furst, of Newark, N.J., for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents with violation of the Federal Trade Commission Act by falsely and deceptively advertising their products, which consist of uniforms, pants, shirts, caps and other military clothing, which respondents advertise, sell and distribute in commerce.

After the issuance of the complaint, respondents, their counsel, and counsel supporting the complaint entered into an agreement containing consent order to cease and desist, which was approved by the Director and Assistant Director of the Commission's Bureau of Litigation, and thereafter transmitted to the Hearing Examiner for consideration.

The agreement identifies respondent Distinctive Emblem & Uniform Corp. as a New Jersey corporation, with its office and principal place of business located at 188 Main Street, East Orange, New Jersey; respondent Sidney M. Stern as an individual, now president of respondent corporation, who directs and controls the acts and practices of the respondent corporation; and respondent Seymour Hindman as an individual who was, at the time the complaint was filed, president of respondent corporation. Both individual respondents have their office and principal place of business at the same location as that of the corporate respondent.

The agreement provides, among other things, that respondents admit all the jurisdictional facts alleged in the complaint and agree

744

Order

that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this agreement; that the agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission; that the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; that the agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondents waive any further procedural steps before the Hearing Examiner and the Commission; the making of findings of fact or conclusions of law; and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The order agreed upon fully disposes of all the issues raised in the complaint, and adequately prohibits the acts and practices charged therein as being in violation of the Federal Trade Commission Act. Accordingly, the Hearing Examiner finds this proceeding to be in the public interest and accepts the agreement containing consent order to cease and desist as part of the record upon which this decision is based. Therefore,

It is ordered, That respondents Distinctive Emblem & Uniform Corp., a corporation, and its officers, and Sidney M. Stern, individually and as an officer of said corporation, and Seymour S. Hindman, individually, and respondents' agents, representatives, and employees, directly or through any corporate or other device in connection with the offering for sale, sale, or distribution of military clothing in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or indirectly:

1. That the respondent corporation is the manufacturer of the military clothing sold by it;
2. That the respondent corporation is a quartermaster-authorized manufacturer of military clothing or is authorized by any other department or agency of the United States Armed Services to manufacture military clothing, unless such is the fact;
3. That the military clothing offered for sale or sold, or any of it, is custom-made;

4. That the military uniforms, offered for sale or sold, described as Shade 193 Air Force Uniforms, are made of fabrics approved by the United States Air Force or that any other fabric is or has been approved by any of the United States Armed Services, unless such is the fact.

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner did, on the 1st day of March, 1957, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Distinctive Emblem & Uniform Corp., a corporation, and Seymour S. Hindman and Sidney M. Stern, individually and as officers of said corporation, shall, within sixty (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 the order to cease and desist.

Decision

IN THE MATTER OF

PARLIAMENT APPLIANCES, INC., ET AL.

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket 6563. Complaint, June 7, 1956—Decision, Mar. 5, 1957*

Consent order requiring a Chicago seller to cease advertising falsely in connection with its home freezers and freezer food purchasing plan, that sale of the freezers was incidental to its wholesale food business, that it had a food plant, bought food by the carload for resale at wholesale prices to participants in the "plan" who could thus effect large savings, and that the freezer was given free at the end of a two-year period of participation, among other things.

Mr. Floyd O. Collins for the Commission.

Mr. Lewis W. Schlifkin, of Chicago, Ill., for respondents.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

The complaint in this proceeding issued June 7, 1956, charges the respondents Parliament Appliances, Inc., a corporation trading as Parliament Food Plan, located at 1601 South Michigan Avenue, Chicago, Illinois, and O. G. Fishbain, M. S. Gottesman and E. M. Levin, individually and as officers of respondent corporation, whose address is the same as the corporate respondent, with violation of the provisions of the Federal Trade Commission Act in the sale of electrical appliances, including home freezers, and soliciting subscribers to a freezer food purchasing plan.

After the issuance of the complaint, the respondents Parliament Appliances, Inc., a corporation trading as Parliament Food Plan, and O. G. Fishbain, individually and as an officer of respondent corporation, entered into an agreement containing consent order to cease and desist with counsel in support of the complaint, disposing of all the issues in this proceeding, which agreement was duly approved by the Director and Assistant Director of the Bureau of Litigation. It was expressly provided in said agreement that the signing thereof is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint.

By the terms of said agreement, the said respondents admitted all the jurisdictional facts alleged in the complaint and agreed that the record herein may be taken as if the Commission had made findings of jurisdictional facts in accordance with the allegations.