

Decision

IN THE MATTER OF
JAMES H. GATES ET AL. DOING BUSINESS AS
SEABOARD EQUIPMENT COMPANY

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATIONS OF SEC. 3 OF THE
CLAYTON ACT

Docket 6632. Complaint, Sept. 12, 1956—Decision, Apr. 16, 1957

Order dismissing—for the reason that respondent partnership was superseded by a corporation in the management of which the principal individual respondent was not active—complaint charging several Surfside, Calif., sellers of "Mercury" outboard motors and parts and accessories therefor, with making sales to retail dealers on condition that purchasers not deal in similar commodities of a competitor.

Mr. L. E. Creel, Jr. for the Commission.

Mr. William J. D. Lane, of Los Angeles, Calif., for respondents.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

DISMISSING COMPLAINT WITHOUT PREJUDICE

This proceeding is before the hearing examiner upon motion of counsel in support of the complaint to dismiss the complaint without prejudice for the reason that the partnership composed of the respondents had been discontinued and was superseded on October 1, 1955, by a corporation styled Seaboard Equipment Company, Inc., and that the principal respondent James H. Gates does not appear to be active in the management of the present corporation, and the hearing examiner having considered said motion and the record herein and being now duly advised in the premises.

It is ordered, That the complaint herein be dismissed without prejudice.

DECISION OF THE COMMISSION

The Commission having determined that the hearing examiner's initial decision, filed January 30, 1957, dismissing the complaint constitutes an appropriate disposition of this proceeding:

It is ordered, That said initial decision be, and it hereby is, adopted as the decision of the Commission.

IN THE MATTER OF
MA-RO HOSIERY COMPANY, INC., ET AL.

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

Docket 6436. Complaint, Nov. 7, 1955—Decision, Apr. 18, 1957

Order requiring two associated corporations in New York City, to cease falsely representing the usual retail prices of men's hosiery they sold to retail stores by pre-ticketing them with prices substantially in excess of the customary selling prices.

Complaint was dismissed as to the third corporate respondent.

Mr. Edward F. Downs for the Commission.

Mr. Samuel Weisman, of New York City, for respondents.

INITIAL DECISION BY ROBERT L. PIPER, HEARING EXAMINER

STATEMENT OF THE CASE

On November 7, 1955, the Federal Trade Commission issued its complaint against Ma-Ro Hosiery Company, Inc., Rex Sox Company, Inc., Roxy Hosiery Company, Inc., Max Rounick, Jack Rounick, and Herbert Rounick (hereinafter collectively referred to as respondents and Rex Sox Company, Inc. being hereinafter referred to as "Rex"), charging them with the use of unfair methods of competition and unfair and deceptive acts and practices in commerce in violation of Section 5 of the Federal Trade Commission Act (hereinafter called the Act), 15 U.S.C. 41, *et seq.* Copies of said complaint together with a notice of hearing were duly served upon respondents.

The complaint alleges in substance that respondents, by attaching price labels to their hosiery products, falsely represented that such prices were the regular and usual retail prices for said hosiery when in fact they were not, thereby placing in the hands of retailers a means and instrumentality for deceiving and misleading the purchasing public. Respondents appeared by counsel and filed a joint answer admitting the corporate, commerce and competition allegations of the complaint and the attaching of price labels to their hosiery products, but denying all alleged violations of the Act.

Pursuant to notice, hearings were thereafter held before the undersigned hearing examiner, duly designated by the Commission to hear this proceeding, on January 10 and March 13, 1956, in New York City. All parties were represented by counsel, participated in the