

Decision

IN THE MATTER OF
LIFE-LONG BATTERY MANUFACTURING CORPORATION
ET AL.

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

Docket 6675. Complaint, Nov. 2, 1956—Decision, May 23, 1957

Consent order requiring a seller in El Segundo, Calif., of "Life-Long" batteries for use in automobiles and trucks, to cease representing falsely in advertisements in newspapers and magazines, in letters, circulars, etc., and in advertising mats furnished to dealers and distributors, that its batteries were self-charging, contained silver or nuclear cells, represented a European invention and were similar to the alkaline type batteries manufactured and sold in Europe, were guaranteed for 10 years, and that testimonials included in its advertising were unsolicited and unbiased.

Mr. George E. Steinmetz for the Commission.

Mr. Donovan W. Ballenger, of Glendale, Calif., for Life-Long Battery Manufacturing Corp.

Mr. Robert W. Cooper, of Los Angeles, Calif., for Jack Morgan Watt.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondents with violation of the Federal Trade Commission Act through the use of certain advertisements in connection with the sale of electric storage batteries. An agreement has now been entered into by counsel supporting the complaint and respondents which provides, among other things, that respondents admit all of the jurisdictional allegations in the complaint; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and the agreement; that the inclusion of findings of fact and conclusions of law in the decision disposing of this matter is waived, together with any further procedural steps before the hearing examiner and the Commission; that the order hereinafter set forth may be entered in disposition of the proceeding, such order to have the same force and effect as if entered after a full hearing, respondents specifically waiving any and all rights to challenge or contest the validity of such order; that the order may be altered, modified, or set aside in the manner provided for other orders of the Commission; that the complaint may be used in construing the terms of the order; and that the agreement is for settlement purposes only and does not constitute

Order

53 F.T.C.

an admission by respondents that they have violated the law as alleged in the complaint.

Upon consideration of the agreement and proposed order, the hearing examiner is of the view that they provide an adequate basis for appropriate disposition of the proceeding. While the order omits prohibitions relating to certain charges in the complaint, it seems clear from the agreement that these charges cannot be sustained. The agreement is therefore accepted, the following jurisdictional findings made, and the following order issued:

1. Respondent Life-Long Battery Manufacturing Corporation is a corporation existing and doing business under and by virtue of the laws of the State of California, with its office and principal place of business located at 140 Kansas Street, El Segundo, California. Respondent Jack Morgan Watt is president of the corporation.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent Life-Long Battery Manufacturing Corporation, a corporation, and its officers, and Jack Morgan Watt, individually and as an officer of said corporate respondent, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution, in commerce, of their electric storage battery, known as "Life-Long" battery, or any other battery of the same or substantially the same composition or type, or possessing substantially similar properties, functions, or characteristics, whether sold under the same or any other name, or in connection with the sale of any other product in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication:

- (a) That their battery is self-recharging.
- (b) That their battery contains silver or nuclear cells or any other kind of grids or cells that is not in accordance with the facts.
- (c) That their battery represents a European invention or is similar in construction, performance, and effect to nickel-cadmium or alkaline type batteries manufactured and sold in Europe or elsewhere.
- (d) That their battery, or any similar product, is guaranteed for 10 years or for any period of time or in any manner, unless the terms and conditions included in the guarantee under which said product is sold are clearly and fully set forth.

1075

Decision

(e) That testimonials are unsolicited and unbiased when such is not 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 shall, on the 23rd day of May, 1957, become the decision of the Commission; and, accordingly:

It is ordered, That the respondents herein 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.

IN THE MATTER OF

CROWN MANUFACTURING CO., INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE WOOL PRODUCTS LABELING ACTS

Docket 6796. Complaint, May 14, 1957—Decision, May 23, 1957

Consent order requiring two associated manufacturers in Philadelphia and New York City, respectively, to cease violating the Wool Products Labeling Act by labeling as "100% Wool", interlining materials which contained substantial quantities of fibers other than wool, and by failing in other respects to conform to the labeling requirements of the Act.

Mr. William M. King for the Commission.

Mr. Stanley I. Sheerr and *Mr. Harry Swavely*, of New York, N.Y., and *Mr. David B. Carmel*, of Manchester, N.H., for respondents.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on May 14, 1957, charging Respondents with misbranding their wool products, consisting of interlining materials, by falsely and deceptively representing the character and amount of the constituent fibers contained therein, and by failing to stamp, tag or label such products, in violation of §4(a)(1) and §4(a)(2) of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and of the Federal Trade Commission Act.

On May 15, 1957, Respondents and counsel supporting the complaint entered into an Agreement Containing Consent Order To Cease and Desist, which was approved by the Director and the Assistant Director of the Commission's Bureau of Litigation, and thereafter submitted to the Hearing Examiner for consideration.

Respondent Crown Manufacturing Co., Inc., is identified in the agreement as a Massachusetts corporation, with its principal place of business at 4301 Torresdale Avenue, Philadelphia, Pennsylvania; Respondent Sheerr Bros. and Company as a Delaware corporation, with its principal place of business at 1407 Broadway, New York, New York; Respondents Stanley I. Sheerr and Harry Swavely as officers of said corporations, with the same address as Respondent Sheerr Bros. and Company; and Respondent David B. Carmel as a director of the corporate Respondents, his address being Crown Manufacturing Co., Inc., Manchester, New Hampshire.

Respondents admit all the jurisdictional facts alleged in the complaint and agree that the record may be taken as if findings of