

Decision

IN THE MATTER OF

YALE BELT CORPORATION ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 6722. Complaint, Feb. 11, 1957—Decision, June 1, 1957*

Consent order requiring a manufacturer in New York City to cease preticketing ladies', men's, and boys' belts with exaggerated and fictitious price figures or making use of any other plan enabling retailers to misrepresent the usual retail price of merchandise.

Mr. Harry E. Middleton, Jr., for the Commission.

Mr. Abbott Gould, of New York City, for respondents.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

The complaint in this proceeding charges the respondents with using fictitious pre-ticketing in the sale of ladies' and men's belts.

An agreement has been entered into between respondents, their counsel, and counsel supporting the complaint which provides, among other things, the following: Respondents admit all jurisdictional facts; the complaint may be used in construing the terms of the order; the order shall have the same force and effect as if entered after a full hearing and the said agreement shall not become a part of the official record of the proceeding unless and until it becomes a part of the decision of the Commission; respondents waive the requirement that the decision must contain a statement of findings of fact and conclusions of law; respondents waive further procedural steps before the hearing examiner and the Commission, and the order may be altered, modified, or set aside in the manner provided by statute for other orders; respondents waive any right to challenge or contest the validity of the order entered in accordance with the agreement; and the signing of said 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.

The Hearing Examiner, having considered the agreement and proposed order, and being of the opinion that the acceptance of the agreement will be in the public interest, hereby accepts such agreement, makes the following jurisdictional findings, and issues the following order:

1. Respondent, Yale Belt Corporation, is a corporation organized and doing business under the laws of the State of New York, with its office and principal place of business located at 183 Wooster

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Street, in the City of New York, State of New York. The address of the individual respondents Bernard Krasnow, Leonard Krasnow, and Bert Krasnow is the same as that of the corporate respondent.

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 the respondents Yale Belt Corporation, a corporation, and its officers; Bernard Krasnow, Leonard Krasnow and Bert Krasnow, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of belts or other articles of merchandise, do forthwith cease and desist from:

1. Representing, by pre-ticketing or in any manner, that certain amounts are the usual and regular retail price of their products when such amounts are in excess of the prices at which their products are usually and regularly sold at retail.

2. Putting into operation any plan whereby retailers or others may misrepresent the regular and usual retail price of merchandise.

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 1st day of June, 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.

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IN THE MATTER OF

R. B. JAMES ET AL., TRADING AS CHICAGO
BOARD COMPANYORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket 6482. Complaint, Jan. 10, 1956—Decision, June 4, 1957

Order requiring two co-partners in Chicago to cease selling or distributing in commerce lottery devices designed or intended to be used in the sale or distribution of merchandise to the public by means of games of chance.

Mr. John W. Brookfield, Jr., for the Commission.

Mr. F. W. James, of Glenview, Ill., for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

Respondents are charged with having violated the Federal Trade Commission Act by the sale and distribution in commerce of devices—punchboards and pushcards—used and for use in selling and distributing various articles of merchandise by means of lottery or chance. Hearings have been held at which evidence was introduced, duly recorded and later filed in the office of the Commission. Proposed findings and conclusions have been submitted by counsel. In lieu of oral argument thereon, respondents' counsel has submitted written argument in support of his proposed findings. Upon the entire record, the following findings as to the facts are made, conclusions drawn therefrom, and order issued:

1. Respondents R. (Ruby) B. James and Patrick Zurla are individuals and co-partners trading and doing business as Chicago Board Company, with their office and principal place of business located at 2352 West Cermak Avenue, Chicago, Illinois.

2. Respondents are now, and have been for more than two years last past, engaged in the sale and distribution, in commerce, to manufacturers of and dealers in various articles of merchandise, of devices commonly known as pushcards and punchboards. Respondents cause and have caused said devices, when sold, to be transported from their place of business in the State of Illinois to purchasers thereof at their points of location in the various states of the United States other than Illinois, and in the District of Columbia. There is now and has been for more than two years last past a substantial course of trade in such devices by said respondents. In 1954 and 1955 respondents' sales amounted to approximately \$500,000 an-