

Decision

IN THE MATTER OF
NORD-RAY BELT MFG., INC., ET AL.

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

Docket 6780. Complaint, Apr. 16, 1957—Decision, July 20, 1957

Consent order requiring a New York manufacturer to cease preticketing ladies', men's, and boys' belts with fictitious prices, thereby giving retailers the means to deceive the public into believing the actual selling price a bargain.

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

Hoffman, Buchwald, Nadel, Cohen & Hoffman, by *Mr. Irving Margolies*, of New York, N.Y., for respondents.

INITIAL DECISION BY FRANK HIER, HEARING EXAMINER

Pursuant to the provisions of the Federal Trade Commission Act, The Federal Trade Commission on April 16, 1957, issued and subsequently served its complaint in this proceeding against respondents Nord-Ray Belt Mfg., Inc., a corporation existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 670 Broadway, New York, New York; Ray (Raymond) Sokoloff and Aaron Nordwind (erroneously named in the complaint as Aaron Nordwin), individually and as president-secretary, and vice president-treasurer, respectively, of the corporate respondent. The office and principal place of business of said respondents is the same as that of the corporate respondent.

On June 5, 1957, there was submitted to the undersigned hearing examiner an agreement between respondents and counsel supporting the complaint providing for the entry of a consent order. By the terms of said agreement, respondents admit all the jurisdictional facts alleged in the complaint and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. By such agreement, respondents waive any further procedural steps before the hearing examiner and the Commission; waive the making of findings of fact and conclusions of law; and waive all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with this agreement. Such agreement further provides that it disposes of all of this proceeding as to all parties; that the record on which this initial decision and the deci-

Order

54 F.T.C.

sion of the Commission shall be based shall consist solely of the complaint and this agreement; that the latter shall not become a part of the official record unless and until it becomes a part of the decision of the Commission; 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 following order to cease and desist may be entered in this proceeding by the Commission without further notice to respondents, and, when so entered, it shall have the same force and effect as if entered after a full hearing, and may be altered, modified, or set aside in the manner provided for other orders; and that the complaint may be used in construing the terms of the order.

The hearing examiner having considered the agreement and proposed order, and being of the opinion that they provide an appropriate basis for settlement and disposition of this proceeding, the agreement is hereby accepted, and the following jurisdictional findings made, and the following order issued.

1. Respondent Nord-Ray Belt Mfg., Inc., is a corporation existing and doing business under the laws of the State of New York, with its office and principal place of business located at 670 Broadway, New York, New York. Respondents Ray (Raymond) Sokoloff and Aaron Nordwind (erroneously named in the complaint as Aaron Nordwin) are president-secretary, and vice president-treasurer, respectively, of said corporation, with their office and principal place of business located at the same address as the corporate respondent,

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

ORDER

It is ordered, That the respondents Nord-Ray Belt Mfg., Inc., a corporation, and its officers, Ray Sokoloff and Aaron Nordwind, 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 merchandise, do forthwith cease and desist from:

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

111

Decision

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 20th day of July, 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
SCHICK, INC.

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

Docket 6543. Complaint, Apr. 30, 1956—Decision, July 23, 1957

Consent order requiring a manufacturer of electric razors to cease representing falsely in advertising on nationwide telecasts and in magazines and newspapers, etc., that a purchaser would get his money back in full if not satisfied with a Schick electric razor after a 14-day trial; and to cease selling as new, razors which it had "redressed" or reconditioned after such home trials or after their use as salesmen's samples or for display and demonstration purposes.

Mr. Harold A. Kennedy for the Commission.

Dunnington, Bartholow & Miller, by *Mr. R. D. Saxe*, of New York, N.Y., for respondent.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on April 30, 1956, charging Respondent with nationally advertising a 14-day free home trial offer of its razors which had not been honored by all retailers, and with selling used razors as new, in violation of the Federal Trade Commission Act.

On May 20, 1957, Respondent, its counsel 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 Schick, Inc. is identified in the agreement as a Delaware corporation, with its office and principal place of business located at 216 Greenfield Road, Lancaster, Pennsylvania.

Respondent admits all the jurisdictional facts alleged in the complaint, and agrees that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations.

Respondent, in the agreement, waives any further procedure before the Hearing Examiner and the Commission; the making of findings of fact or conclusions of law; and all the rights it may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement. All parties agree