

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

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 order to cease and desist as contained in the agreement 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; that the complaint herein may be used in construing the terms of said order; and that the agreement is for settlement purposes only and does not constitute an admission by Respondent that it has violated the law as alleged in the complaint.

After consideration of the allegations of the complaint and the provisions of the agreement and the proposed order, the Hearing Examiner is of the opinion that such order constitutes a satisfactory disposition of this proceeding. Accordingly, in consonance with the terms of the aforesaid agreement, the Hearing Examiner accepts the Agreement Containing Consent Order To Cease And Desist; finds that the Commission has jurisdiction over the Respondent and over its acts and practices as alleged in the complaint; and finds that this proceeding is in the public interest. Therefore,

It is ordered, That Respondent Schick, Inc., a corporation, its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of electric shavers, or any other product, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or indirectly, that any purchaser of such product may obtain a refund of the purchase price thereof by returning said product to the retailing seller thereof within 14 days after its purchase, or within any other specified period of time, unless such is the fact;

2. Offering for sale, selling or delivering to others for ultimate sale to the public such product if composed in whole or in part of previously used materials, unless clear disclosure is made on such product, in such manner that it cannot be readily hidden or obliterated, that such product is composed, in whole or in part, as the case may be, of previously used materials.

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 twenty-

Order

54 F.T.C.

third day of July, 1957, become the decision of the Commission; and, accordingly:

It is ordered, That respondent Schick, Inc., a corporation, shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist.

Decision

IN THE MATTER OF
THE LAFAYETTE BRASS MANUFACTURING
COMPANY, INC., ET AL.

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

Docket 6671. Complaint, Oct. 31, 1956—Decision, July 23, 1957

Consent order requiring three associated New York concerns to disclose the foreign origin of lawn sprinklers, hose nozzles and connections, and faucet aerators they import in whole or in part from Japan, and to cease selling such products as wholly of domestic origin; and to cease misrepresenting the extent to which their sprinklers can withstand water pressure.

A charge that respondents falsely represent that they manufacture the products they sell, by use of the word "Manufacturing" in their corporate names, is still pending.

Simeon F. House, Esq. supporting the complaint.

Charles Korn, Esq., and *Marvin Machson, Esq.*, of New York, N.Y., for respondents.

INITIAL DECISION PRO TANTO* BEFORE JAMES A. PURCELL,
HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on October 31, 1956, charging them with violation of the Federal Trade Commission Act in the offering for sale, sale and distribution of various products, including lawn sprinklers, hose nozzles, hose connections and faucet aerators, in commerce as the word "commerce" is defined in said Act. Subsequent to service of the complaint respondents appeared by counsel and thereafter entered into an agreement providing for the issuance of a consent order to cease and desist, dated May 9, 1957, purporting to dispose of all of the charges of the complaint as to all parties, *except* as to the use of the word "manufacturing" in the corporate names of the respondents The Lafayette Brass Manufacturing Company, Inc., and The Durst Manufacturing Company, Inc., as more specifically charged in Paragraph Nine of the complaint.

Said agreement, which has been signed by all respondents and their counsel, as well also by counsel in support of the complaint,

* There remains to be disposed of by future action a charge in the complaint of improper and misleading use of the word "manufacturing" in the corporate names of respondents, The Lafayette Brass Manufacturing Company, Inc., and The Durst Manufacturing Company, Inc.