

Decision

IN THE MATTER OF
ALRICH MANUFACTURING CO., INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION
OF THE FEDERAL TRADE COMMISSION ACT

Docket 6771. Complaint, Apr. 8, 1957—Decision, July 31, 1957

Consent order requiring sellers in Great Neck, Long Island, of a sheet of transparent plastic sprayed with colored paint designated "Color Pix" and designed to be attached to television sets, to cease representing falsely in advertising in periodicals and in material supplied to their customers, that a black and white television set would produce the same visual effect as a color television when said "Color Pix" was attached to it; that its use would eliminate glare and snow from television screens, and eliminate eyestrain and relieve headaches caused by viewing television; and that it would not burn.

Mr. Brockman Horne for the Commission.

Mr. Alan G. Trebach of *Trebach, Carroll & Siegel*, of New York, N.Y., for respondent.

INITIAL DECISION BY LOREN H. LAUGHLIN, HEARING EXAMINER

The Federal Trade Commission (sometimes hereinafter referred to as the Commission), on April 8, 1957, issued its complaint herein under the Federal Trade Commission Act against the above-named respondents, Alrich Manufacturing Co., Inc., a corporation, and Judith Gleichenhaus, individually and as an officer of said corporation, charging said respondents with having violated the provisions of the Federal Trade Commission Act in certain particulars. The respondents were duly served with process.

On June 19, 1957, there was submitted to the undersigned hearing examiner of the Commission for his consideration and approval an "Agreement Containing Consent Order To Cease And Desist," which had been entered into by and between said respondents and Brockman Horne, counsel supporting the complaint, under date of June 18, 1957, and subject to the approval of the Bureau of Litigation of the Commission. Such agreement had been thereafter duly approved by the Director and Assistant Director of the Commission's Bureau of Litigation.

In view of the subsequent approval herein of said agreement, the initial hearing set for June 19, 1957, at ten o'clock in New York, New York, as fixed in the notice portion of the complaint, was canceled by order dated June 3, 1957.

On due consideration of the said "Agreement Containing Consent Order To Cease And Desist," the hearing examiner finds that said agreement, both in form and in content, is in accord with Section 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings and that by said agreement the parties have specifically agreed that:

1. Respondent Alrich Manufacturing Co., Inc., is 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 P.O. Box 469, Great Neck, Long Island, State of New York.

Individual respondent Judith Gleichenhaus is President of said corporation and she formulates, directs, and controls its policies, acts and practices. Her address is 100 Riverside Drive, City of New York, State of New York.

2. Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on April 8, 1957, issued its complaint in this proceeding against respondents, and a true copy was thereafter duly served on respondents.

3. Respondents admit all the jurisdiction 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.

4. This agreement disposes of all of this proceeding as to all parties.

5. Respondents waive:

- a. Any further procedural steps before the hearing examiner and the Commission;
- b. The making of findings of fact or conclusions of law; and
- c. 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.

6. The record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this agreement.

7. This agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission.

8. This 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.

In the said agreement, the parties have further specifically agreed that the proposed order to cease and desist included therein may be entered in this proceeding by the Commission without further notice to the respondent; that when so entered it shall have the same force

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as if entered after a full hearing; that it 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.

Upon due consideration of the complaint filed herein, and the said "Agreement Containing Consent Order To Cease And Desist," the latter is hereby approved, accepted and ordered filed, the same not to become a part of the record herein, unless and until it becomes part of the decision of the Commission. The hearing examiner finds from the complaint and the said "Agreement Containing Consent Order To Cease And Desist" that the Commission has jurisdiction of the subject matter of this proceeding and of the person of the respondents herein; that the complaint states a legal cause for complaint under the Federal Trade Commission Act both generally and in each of the particular charges alleged therein; that this proceeding is in the interest of the public; that the following order as proposed in said agreement is appropriate for the full disposition of all the issues in this proceeding, such order to become final only if and when it becomes the order of the Commission; and that said order, therefore, should be, and hereby is, entered as follows:

ORDER

It is ordered, That respondents Alrich Manufacturing Co., Inc., a corporation, and its officers, and Judith Gleichenhaus, individually and as an officer 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, and distribution of a plastic sheet to be fastened over the viewing screen of a television set, designated as "Color Pix," or any other product of substantially similar construction or possessing substantially the same characteristics, whether sold under the same or any other name, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication:
 - (a) That by the use of said product:
 - (1) In connection with the operation of a black-and-white television set, said television will thereby produce the same visual effect as a color television set.
 - (2) Glare will be eliminated from television screens.
 - (3) Snow will be eliminated from television screens.
 - (4) Eye strain caused by viewing television will be eliminated.
 - (5) Headache caused by viewing television will be relieved.
 - (b) That said product will not burn.

2. Using the word "Manufacturing" or any other words of the same import as a part of a trade or corporate name, or otherwise representing in any manner that respondents manufacture said product.

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 31st day of July, 1957, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Alrich Manufacturing Co., Inc., a corporation, and its officers, and Judith Gleichenhaus, individually and as an officer of said corporation, 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.

Decision

IN THE MATTER OF
SIRO FASHIONS, INC., ET AL.

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

Docket 6761. Complaint, Apr. 4, 1957—Decision, Aug. 1, 1957

Consent order requiring a manufacturer in New York City to cease violating the Wool Products Labeling Act by failing to stamp or tag ladies' wool dresses so as to show the name or registration number of the manufacturer or other responsible persons, as required by the Act.

Mr. Michael J. Vitale and Mr. Thomas A. Ziebarth for the Commission.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

The complaint in this proceeding charges that Siro Fashions, Inc., a corporation, and Jules Roth, individually and as an officer of said corporation, hereinafter called respondents, have violated the provisions of the Federal Trade Commission Act, the Wool Products Labeling Act, and the Rules and Regulations promulgated under the last-named Act, in the operation of their business.

After issuance and service of the complaint, the respondents and counsel supporting the complaint entered into an agreement for a consent order. The agreement has been approved by the Director and Assistant Director of the Bureau of Litigation. The order disposes of the matters complained about.

The material provisions of said agreement are as follows: 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 conclusion 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.