

## Decision

IN THE MATTER OF  
A. A. WYN, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION  
OF THE FEDERAL TRADE COMMISSION ACT*Docket 6792. Complaint, May 13, 1957—Decision, Nov. 9, 1957*

Consent order requiring book distributors in New York City to cease selling newly titled reprints without adequate disclosure of the titles under which the books were originally published.

*Mr. John W. Brookfield, Jr.* supporting the complaint.

*Mr. Jerome N. Wanshel*, of New York, N.Y., for respondents.

## INITIAL DECISION BY JOHN LEWIS, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on May 13, 1957, charging them with the use of unfair and deceptive acts and practices and unfair methods of competition, in commerce, in violation of the Federal Trade Commission Act, by failing to adequately disclose that certain previously published books, which were sold and distributed by respondents under new titles, are reprints of such original publications. After being served with said complaint, respondents appeared by counsel and filed their answer thereto. Thereafter said respondents entered into an agreement, dated August 26, 1957, containing a consent order to cease and desist purporting to dispose of all this proceeding as to all parties. Said agreement, which has been signed by all respondents, by counsel for said respondents, and by counsel supporting the complaint, and approved by the Director and Assistant Director of the Commission's Bureau of Litigation, has been submitted to the above-named hearing examiner for his consideration, in accordance with Section 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings.

Respondents, pursuant to the aforesaid agreement, have admitted all the jurisdictional facts alleged in the complaint and agreed that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. Said agreement further provides that respondents waive any further procedural steps before the hearing examiner and the Commission, the making of findings of fact or conclusion of law and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with such agreement. It has been agreed that the order to cease and desist issued in accordance with

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said agreement shall have the same force and effect as if entered after a full hearing and that the complaint may be used in construing the terms of said order. It has also been agreed that the record herein shall consist solely of the complaint and said agreement, and that 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.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreement containing consent order, and it appearing that the order provided for in said agreement covers all the allegations of the complaint and provides for an appropriate disposition of this proceeding as to all parties, said agreement is hereby accepted and is ordered filed upon this decision's becoming the decision of the Commission pursuant to Sections 3.21 and 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings, and the hearing examiner, accordingly, makes the following jurisdictional findings and order:

1. Respondent A. A. Wyn, Inc., is a corporation organized 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 23 West 47th Street, New York 36, New York. Respondent Aaron A. Wyn is President of corporate respondent A. A. Wyn, Inc., and respondent Rose Wyn is Secretary of said corporate respondent. Both the individual respondents have their place of business and office at the same address as that of the corporate respondent. The individual respondents formulate and direct the policies and practices of said corporate respondent and are responsible for the operation and management thereof.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents hereinabove named. The complaint states a cause of action against said respondents under the Federal Trade Commission Act, and this proceeding is in the interest of the public.

## ORDER

*It is ordered,* That the respondents A. A. Wyn, Inc., a corporation and its officers, and Aaron A. Wyn and Rose Wyn, 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 of books in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

Using or substituting a new title for, or in place of, the original title of a reprinted book unless a statement which reveals the

original title of the book and that it has been previously published thereunder appears in clear, conspicuous type upon the front cover and upon the title page of the book, either in immediate connection with the new title or in another position adapted readily to attract the attention of a prospective purchaser.

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 did, on the 9th day of November, 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  
KAY JEWELRY STORES, INC., ET AL.

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

*Docket 6445. Complaint, Nov. 17, 1955—Decision, Nov. 12, 1957*

Order requiring a corporation furnishing supervision and management services to a chain of approximately 110 retail jewelry stores throughout the United States, and its wholly owned sales subsidiary, with principal place of business in Washington, D.C., to cease falsely representing the usual retail price of their "Lachine" watches, which sold at retail for \$19.75, by affixing to them price tags ranging from \$33.75 to \$125, and by making the same false representations in advertisements in newspapers.

*Frederick McManus, Esq.*, for the Commission.

*Lord, Day & Lord*, by *Charles W. Merritt, Esq.*, of New York City and *Simon Hirshman, Esq.*, of Washington, D.C., for respondents.

INITIAL DECISION BY ROBERT L. PIPER, HEARING EXAMINER

STATEMENT OF THE CASE

On November 17, 1955, the Federal Trade Commission issued its complaint against Kay Jewelry Stores, Inc., Fairfax Distributing Company, Cecil D. Kaufmann,<sup>1</sup> Joel S. Kaufmann,<sup>1</sup> David R. Trattner, Benjamin B. Golding and Simon Hirshman, individually and as officers of said corporations (all hereinafter collectively called respondents), charging them with the use of unfair methods of competition and unfair and deceptive acts and practices in commerce in violation of Section 5 of the Federal Trade Commission Act (hereinafter called the Act), 15 U.S.C. 41, *et seq.* Copies of said complaint together with a notice of hearing were duly served upon respondents.

The complaint alleges in substance that respondents, by attaching price tags to certain watches, falsely represented that such prices were the usual and regular retail prices when in fact they were not, thereby placing in the hands of retailers a means and instrumentality for deceiving and misleading the purchasing public, and by the dissemination of certain newspaper advertisements containing "original" prices and savings to be effectuated, falsely represented such prices to be the regular and usual retail prices and the savings to be effectuated. Respondents appeared by counsel and filed a

<sup>1</sup> Incorrectly referred to as Kaufman in the caption of the complaint and other documents.