

Decision

IN THE MATTER OF

WELLMACED LEATHER GOODS CO. ET AL.

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

Docket 6879. Complaint, Aug. 30, 1957—Decision, Jan. 10, 1958

Consent order requiring manufacturers in New York City to cease preticketing their boys' and men's belts with fictitious and exaggerated prices and thereby placing in the hands of retail outlets means for deceiving the purchasing public as to the usual retail price of the belts.

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

Mr. Julian Buchbinder, 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 August 30, 1957, issued and subsequently served its complaint in this proceeding against respondents Wellmade Leather Goods Co., a corporation existing and doing business under and by virtue of the laws of the State of New York, Morris Baron, Harold Baron, and Rose Baron, individually and as officers of the corporate respondent. The office and principal place of business of said respondents is at 477 Broadway, New York, N.Y.

On November 18, 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 decision 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, the following jurisdictional findings made, and the following order issued.

1. Respondent Wellmade Leather Goods Co. 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 477 Broadway, New York, N.Y. Respondents Morris Baron, Harold Baron, and Rose Baron are officers of said corporation, and have their office and principal place of business at the same address as the corporation.

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, Wellmade Leather Goods Co., and its officers, and Morris Baron, Harold Baron, and Rose Baron, 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 men's and boys' belts 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.

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 10th day of

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January 1958, 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
NATHAN E. WHITE TRADING AS QUEEN DISTRIBUTING
CO.

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

Docket 6751. Complaint, Mar. 27, 1957—Decision, Jan. 15, 1958

Consent order requiring New York City seller of vending machines and gum and nut meats dispensed thereby, to cease, in advertisements placed in local newspapers—some in the "Help Wanted" columns—and by his salesmen visiting prospects, misrepresenting the profits that could be made from the machines, and making such false representations as that the business was "perfect insurance against old age, permanent or partial disability," that satisfactory locations would be obtained for the machines, etc.

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

Mr. Bernard Katzen, of New York, N.Y., for respondent.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

The complaint in this proceeding charges that the respondent, Nathan E. White, an individual trading and doing business as Queen Distributing Co., hereinafter called respondent, has violated the provisions of the Federal Trade Commission Act by making false and misleading representations in advertisements in connection with the sale and distribution of vending machines.

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

The material provisions of said agreement are as follows: Respondent admits 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; the record herein shall consist solely of the complaint and the agreement; respondent waives the requirement that the decision must contain a statement of findings of fact and conclusion of law; respondent waives further procedural steps before the hearing examiner and the Commission, and the order may be altered, modified or set aside