

IN THE MATTER OF
BOSTWICK LABORATORIES, INC., ET AL.

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

Docket 6853. Complaint, July 26, 1957—Decision, Apr. 15, 1958

Consent order requiring a concern in Bridgeport, Conn., to cease representing falsely in advertising that use of its product "Hep Oven Cleaner" would enable a housewife to clean her oven with just a wipe of a damp cloth.

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

Weil, Gotshal & Manges, of New York, N.Y., by *Mr. Ira M. Millstein*, for respondents.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondents with violation of the Federal Trade Commission Act through the making of certain representations regarding an oven-cleaning preparation sold by them. An agreement has now been entered into by respondents and counsel supporting the complaint which provides, among other things, that respondents admit all of the jurisdictional allegations in the complaint; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and agreement; that the inclusion of findings of fact and conclusions of law in the decision disposing of this matter is waived, together with any further procedural steps before the hearing examiner and the Commission; that the order hereinafter set forth may be entered in disposition of the proceeding, such order to have the same force and effect as if entered after a full hearing, respondents specifically waiving any and all rights to challenge or contest the validity of such order; that the order may be altered, modified, or set aside in the manner provided for other orders of the Commission; that the complaint may be used in construing the terms of the order; and 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.

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

1306

Decision

1. Respondent Bostwick Laboratories, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Connecticut, with its office and principal place of business located at 706 Bostwick Avenue, Bridgeport, Connecticut. Individual respondents A. O. Samuels and Jack Schenberg are president and vice president, respectively, of the corporate respondent and have the same address as that of the corporate respondent.

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 respondents Bostwick Laboratories, Inc., a corporation, and its officers, and A. O. Samuels and Jack Schenberg, 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 the product "Hep Oven Cleaner" or any other products containing substantially the same ingredients or possessing substantially the same properties, 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 representing, directly or by implication, that after spraying respondents' product on the surfaces of household ovens said ovens can be effectively cleaned without hard scrubbing, or by wiping off with a damp cloth, sponge, or any like material, unless it is clearly and conspicuously disclosed that steel wool, scouring pads or like abrasive products must be used in cases of heavy, stubborn or baked-on soil.

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 15th day of April 1958, become the decision of the Commission; and, accordingly:

It is ordered, That 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
INTERNATIONAL STITCH-O-MATIC CORP. ET AL.

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

Docket 6929. Complaint, Nov. 6, 1957—Decision, Apr. 15, 1958

Consent order requiring a distributor of sewing machines in Chicago to cease representing falsely, mainly by means of advertising mats placed in the hands of resellers of its products or by itself placed directly with newspapers, that highly exaggerated amounts were the usual retail price for their machines, that their sale price afforded large, or any, savings to purchasers, that the machines were nationally advertised in McCall's Magazine, and that they were backed by a "money-back" guarantee purportedly lasting 25 years but actually for only the few hours of the sale, and by a 25-year guarantee on the entire machine when in fact no parts were guaranteed at all except the motor and motor accessories, and they were guaranteed for 1 year.

Mr. Alvin D. Edelson for the Commission.

Froelich, Grossman, Teton, and Tabin, by *Mr. Seymour Tabin*, of Chicago, Ill., for respondents.

INITIAL DECISION BY LOREN H. LAUGHLIN, HEARING EXAMINER

The Federal Trade Commission (sometimes also hereinafter referred to as the Commission) issued its complaint herein, charging the above-named respondents, International Stitch-O-Matic Corp., a corporation, and Seymour Ratner, individually and as an officer of said corporation, with having violated the provisions of the Federal Trade Commission Act in certain particulars. Respondents were duly served with process.

On Feb. 19, 1958, 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 the respondent corporation and Seymour Ratner, both individually and as an officer of the corporate respondent, and attorneys for both parties, under date of February 13, 1958, subject to the approval of the Bureau of Litigation of the Commission. Such agreement had been thereafter duly approved by that Bureau.

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 International Stitch-O-Matic Corp. is a corpora-