

IN THE MATTER OF  
AARON NEWMAN ET AL. DOING BUSINESS AS COLONY  
FURNITURE CO.

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

*Docket 6933. Complaint, Nov. 8, 1957—Decision, Apr. 15, 1958*

Consent order requiring manufacturers in Linden, N.J., to cease representing falsely in advertising in trade journals and advertising mats and other material furnished to their dealer customers, that their furniture was advertised in *Life and House Beautiful*, and that certain of it was made entirely of mahogany, oak, maple, walnut, or fruitwood; furnishing customers with reproduction sheets, catalogs, etc., listing purported regular retail prices which were in fact fictitious and excessive; and furnishing them with "gift certificates" supposedly offering the consumer opportunity to buy furniture at less than the usual price when the prices to which the certificates applied were fictitious and inflated.

*Mr. Kent P. Kratz* for the Commission.

*Mr. Joseph Harrison*, of Newark, N.J. 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 furniture 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 proposed order covers all of the representations referred to in

the complaint with two exceptions. It appears from the agreement that these two representations were included in the complaint through inadvertence, and the agreement provides for the dismissal of the complaint as to these matters. In the circumstances such action appears appropriate. The agreement and proposed order are therefore accepted, the following jurisdictional findings made, and the following order issued:

1. Respondents Aaron Newman and Dan N. Newman are individuals and copartners, doing business as Colony Furniture Co., with their principal office and place of business located at 1125 West Elizabeth Avenue, Linden, N.J.

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 Aaron Newman and Dan N. Newman, individually and as copartners doing business as Colony Furniture Co., or under any other name, their agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of furniture or any other product, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Misrepresenting in any manner, or by any means, directly or indirectly, the kind or nature of the wood or other materials used in the manufacture of their furniture or of any other product, or any part thereof.

2. Representing, directly or indirectly:

(a) That respondents' products, or any of them, have been advertised in any advertising media unless such advertising was recently and regularly run or unless the date thereof is set forth.

(b) That any amounts are the usual or regular retail prices of products which are in excess of the prices at which the products are usually and regularly sold at retail.

3. Furnishing any means or instrumentality to others by and through which the public may be misled as to the usual and regular prices of respondents' products, or the kind or nature of the wood or other materials used in the manufacture of respondents' furniture.

*It is further ordered*, That the complaint be, and the same hereby is dismissed insofar as it relates to the use of the terms "In Windsor Grey Mahogany Finish" and "fruitwood finish" set out in paragraph 4 thereof.

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 15th day of April 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.

## Decision

## IN THE MATTER OF

ALBERT D. DILL ET AL. TRADING AS RAD-TEL TUBE CO.  
CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE  
FEDERAL TRADE COMMISSION ACT

*Docket 6954. Complaint, Nov. 25, 1957—Decision, Apr. 15, 1958*

Consent order requiring mail order sellers in Newark, N.J., of radio parts and equipment to radio repair men and dealers, to cease representing "rejects" falsely in advertising as first quality radio tubes; failing to disclose in such advertising and on cartons, invoices, etc., the fact that they were seconds; and failing to disclose such fact adequately on the tubes themselves.

*Mr. Charles W. O'Connell* for the Commission.

*Willkie, Farr, Gallagher, Walton & Fitz Gibbon*, by *Mr. Sumner S. Kittelle*, 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 November 25, 1957, issued and subsequently served its complaint in this proceeding against respondents Albert D. Dill and Edward J. McGrath, individuals and co-partners trading as Rad-Tel Tube Co., with their office and place of business located at 604 Market Street, Newark, N.J.

On February 12, 1958, 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