

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

Docket 7015. Complaint, Dec. 30, 1957—Decision, June 11, 1958

Consent order requiring a concern engaged in Freeport, Long Island, N.Y., in the mail order sale of precut fabrics for making dresses at home, to cease representing falsely in "Help Wanted" advertisements in newspapers that it was offering to employ persons to sew ready-cut housecoats in their homes and would pay "from \$17.40 to \$26.16 dozen" for such services.

Mr. Michael J. Vitale and *Mr. Alvin D. Edelson* for the Commission.

Mr. Joseph F. Soviero, Jr., of Jamaica, N.Y., for respondents.

INITIAL DECISION BY EVERETT F. HAYCRAFT, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on December 30, 1957, charging them with the dissemination in commerce of advertisements containing false representations with respect to distribution through the mails of precut fabrics for the making of dresses in the home, and alleging that the use of such advertisements constituted unfair and deceptive acts and practices and unfair methods of competition in commerce within the meaning and intent of the Federal Trade Commission Act. In lieu of submitting answer to said complaint, all of the respondents, except Joseph Soviero as an individual, entered into an agreement for consent order with counsel supporting the complaint disposing of all the issues in this proceeding in accordance with section 3.25 of the rules of practice and procedure of the Commission, which agreement has been duly approved by the Bureau of Litigation. It was recommended in the agreement and the affidavit, which was attached to said agreement and made a part thereof, that the complaint to be dismissed as to respondent Joseph Soviero for the reason that he played no part in formulating the corporate policies. All references to respondents hereinafter made include all respondents except Joseph Soviero.

By the terms of said agreement, the respondents 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. Respondents in the agreement expressly waived any further procedural steps before the hearing examiner and the Commission; the making of findings of fact or conclusions 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 this agreement.

It was further provided in said agreement that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and the said agreement. It was further agreed that the agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission, 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. The agreement also provided that the order to cease and desist issued in accordance with said agreement shall have the same force and effect 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.

This proceeding having now come on for final consideration by the hearing examiner on the complaint and the aforesaid agreement for consent order, and it appearing that said agreement provides for an appropriate disposition of this proceeding, the aforesaid agreement is hereby accepted and is ordered filed upon becoming part of the Commission's decision in accordance with sections 3.21 and 3.25 of the rules of practice; and in consonance with the terms of said agreement, the hearing examiner makes the following jurisdictional findings and order:

1. Respondent Accurate Style Manufacturing Co., Inc., is a corporation, organized, 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 22 Pine Street, Freeport, Long Island, N.Y.

Respondent Mrs. D. T. Ruhl is president of the respondent corporation and maintains a business address at the same address as the corporate respondent.

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

54 F.T.C.

ORDER

It is ordered, That respondents, Accurate Style Manufacturing Co., Inc., a corporation, and its officers, and Mrs. D. T. Ruhl, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of precut fabrics, or any other article of merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication, that respondents are offering employment or payment for services to be rendered, when, in fact, the offer is to sell merchandise.

It is further ordered, That the complaint, insofar as it relates to respondent Joseph Soviero, be, and the same hereby is, dismissed.

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 11th day of June 1958, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Accurate Style Manufacturing Co., Inc., a corporation, and Mrs. D. T. Ruhl, 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

SAUL FRISCH TRADING AS SYLVETTE WATCH CO.

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

Docket 7033. Complaint, Jan. 14, 1958—Decision, June 11, 1958

Consent order requiring an importer in New York City to cease selling watches of simulated gold or gold alloy without disclosing clearly that the cases were composed of base metal; and to cease representing falsely by the words "Sylvette of Switzerland" on the cardboard boxes packaging the watches that he maintained a place of business in Switzerland, and representing falsely on counter display cards widely distributed to jobbers and dealers that the watches were "guaranteed."

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

Linkin & Kase, by *Mr. Aaron A. Linkin*, of New York, N.Y., for respondent.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges that respondent has violated the Federal Trade Commission Act by making false and misleading representations relative to imported watches sold and distributed by respondent in commerce, to various retailers and distributors.

After the issuance of the complaint, respondent, his counsel, and counsel supporting the complaint entered into an agreement containing consent order to cease and desist, which was approved by the Director and an Assistant Director of the Commission's Bureau of Litigation, and thereafter transmitted to the hearing examiner for consideration.

The agreement identifies respondent Saul Frisch as an individual trading as Sylvette Watch Co., with his office and principal place of business located at 101 West 31st Street, New York, N.Y.

The agreement provides, among other things, that respondent admits all the jurisdictional facts alleged in the complaint, and agrees that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations; that 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; that the agreement shall not become a part of the official record unless