

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

and until it becomes a part of the decision of the Commission; that the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; that the agreement is for settlement purposes only and does not constitute an admission by respondent that he has violated the law as alleged in the complaint; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondent waives 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 he may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The order agreed upon fully disposes of all the issues raised in the complaint, and adequately prohibits the acts and practices charged therein as being in violation of the Federal Trade Commission Act. Accordingly, the hearing examiner finds this proceeding to be in the public interest, and accepts the agreement containing consent order to cease and desist as part of the record upon which this decision is based. Therefore,

It is ordered, That respondent Saul Frisch, an individual trading as Sylvette Watch Co., or under any other name, and his agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Offering for sale or selling watches, the cases of which are composed of base metal, manufactured or otherwise processed to simulate or have the appearance of precious metal, without marking such cases so as to disclose clearly the true metal composition thereof;
2. Representing in any manner that respondent maintains an office and place of business in Switzerland;
3. Representing that merchandise is guaranteed, unless the nature and extent of the guarantee and the manner in which the guarantor will perform thereunder are clearly and conspicuously disclosed.

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 Saul Frisch, an individual trading as Sylvette Watch Co., shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which he has complied with the order to cease and desist.

IN THE MATTER OF
LA FLORIDANA CIGAR FACTORY, INC., ET AL.
CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket 7048. Complaint, Jan. 22, 1958—Decision, June 11, 1958

Consent order requiring manufacturers of cigars in Tampa, Fla., to cease representing falsely, by use of the words "Havana" and "Habana" on boxes and bands of cigars containing large amounts of non-Cuban tobacco, that the cigars were composed entirely of tobacco grown in Cuba; and to disclose to the purchasing public their practice of using a processed paper as the binder for certain of their cigars.

Charles W. O'Connell, Esq., for the Commission.

George W. Ericksen, Esq., Macfarlane, Ferguson, Allison & Kelly, of Tampa, Fla., for respondents.

INITIAL DECISION BY LOREN H. LAUGHLIN, HEARING EXAMINER

The Federal Trade Commission (hereinafter referred to as the Commission) on January 22, 1958, issued its complaint herein under the Federal Trade Commission Act against the above-named respondents.

On April 10, 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 respondents, their counsel, and counsel supporting the complaint, under date of April 4, 1958, and subject to the approval of the Bureau of Litigation of the Commission. Such agreement had been thereafter duly approved by the Director and an Assistant Director of 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 La Floridana Cigar Factory, Inc., is a corporation existing and doing business under and by virtue of the laws of the State of Florida, with its office and principal place of business located at 1607 17th Street, in the city of Tampa, State of Florida.

Respondents Faustino Casares, William E. Diaz and Violet C. Diaz are president, vice president, and secretary-treasurer, respec-