

Decision

IN THE MATTER OF
WORLD WIDE BROKERAGE CORPORATION ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 6945. Complaint, Nov. 19, 1957—Decision, July 7, 1958*

Consent order requiring a Chicago real estate firm to cease representing falsely through post cards, circulars, etc., and statements made by its salesmen to persons who had property for sale that it had available prospective buyers interested in the specific properties and that the property would be sold in a short time as a result of its efforts; that the property was underpriced and the asking price should be raised; that its sales representatives were bonded or insured; that it would finance the purchase of listed properties through its financial department; that the listing fee was an advance on the selling commission and would be refunded if the property was not sold in a short time; that the listed property would be nationally advertised through newspapers and associated real estate brokers; and that it would furnish experienced appraisers to evaluate it.

Mr. John W. Brookfield, Jr., and Mr. Berryman Davis for the Commission.

Mr. Herman Herbert Moses of Chicago, Ill., for respondents.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondents with misrepresenting services performed by them in advertising and selling real estate and other property. 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

Order

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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:

1. Respondent World Wide Brokerage Corporation is a corporation existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 100 West Monroe Street, Chicago, Ill.

Respondents Thomas E. Joyce, Burton Sherre, Mrs. Thomas E. Joyce, also known as Nancy Lee Buell, and E. J. O'Malley are officers of the corporate respondent, having addresses the same as that of the corporate respondent.

Respondent Frank Don. Livingston is an individual and Eastern sales representative for the corporate respondent, and is actively engaged in carrying on the business of said corporate respondent in the Eastern area of the United States. His address is Green Haven Shores, Lower Pawcatuck, Conn.

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, World Wide Brokerage Corporation, and its officers, and Thomas E. Joyce, Burton Sherre, Mrs. Thomas E. Joyce, also known as Nancy Lee Buell, and E. J. O'Malley, individually and as officers of said corporation, and Frank Don. Livingston, individually, and each of respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, or sale, of advertising in newspapers or in other advertising media, or of other services or facilities in connection with the offering or listing for sale, selling, buying or exchanging, of business or any other kind of property, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication:

(a) That respondents have available prospective buyers who are interested in the purchase of specific property;

(b) That property will be sold through the efforts of respondents;

(c) That property sought to be listed is under priced or that the asking price should be increased, or that respondents can or will sell the property at the increased price;

(d) That respondents' sales representatives are bonded or insured;

(e) That respondents maintain a financial department, or that they possess the finances and ability to finance the purchase of listed property;

(f) That the listing fee is an advance on the selling commission or will be refunded to the property owner;

(g) That respondents will advertise the property of a prospective seller by any means that is not in accordance with the facts;

(h) That respondents furnish qualified, experienced or expert appraisers to evaluate property sought to be listed with them.

2. Using the corporate name World Wide Brokerage Corporation, or such statements as "a world wide organization," or representing in any manner or by any means that respondents operate on an international basis.

DECISION OF THE COMMISSION AND ORDER TO FILE
REPORT OF COMPLIANCE

This matter having come on to be heard by the Commission upon its review of the hearing examiner's initial decision filed on April 30, 1958, and the Commission having determined that said initial decision is adequate and appropriate in all respects to dispose of this proceeding:

It is ordered, That the aforesaid initial decision be, and it hereby is, adopted as the decision of the Commission.

It is further ordered, That the respondent World Wide Brokerage Corporation, a corporation, and respondents Thomas E. Joyce, Burton Sherre, Mrs. Thomas E. Joyce, also known as Nancy Lee Buell, E. J. O'Malley, and Frank Don. Livingston 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 contained in said initial decision.

IN THE MATTER OF
THOMAS F. DI STEFANO TRADING AS
DUNDEE ELECTRONICS CO.

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

Docket 7058. Complaint, Feb. 7, 1958—Decision, July 7, 1958

Consent order requiring a distributor of radio and television tubes in Paterson, N.J., selling mainly to jobbers and mail order houses, to make clear disclosure, in advertising and on invoices and shipping memoranda and on the tubes themselves and their cartons, when the tubes he sold were used, pull-outs, factory rejects, or JAN surplus.

Mr. Kent P. Kratz supporting the complaint.

Mr. Bruno L. Leopizzi, of Paterson, N.J., for respondent.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

On February 7, 1958, the Federal Trade Commission issued a complaint against Thomas F. Di Stefano, an individual trading as Dundee Electronics Co., hereinafter referred to as respondent, charging him with having violated the Federal Trade Commission Act by failing to disclose to his customers that a large number of the radio and television tubes he sells and distributes are used, pull-outs, factory rejects, or JAN surplus.

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 agreement has been approved by the director and assistant director of the Bureau of Litigation. The agreement disposes of the matters complained about.

The pertinent 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,