

Complaint

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IN THE MATTER OF
WAREHOUSE DISTRIBUTORS, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 2(f) OF THE CLAYTON ACT

Docket 6837. Complaint, July 10, 1957—Decision, Aug. 14, 1958

Consent order requiring a group of 28 southeastern jobbers of automotive parts and supplies, acting through the medium of their corporate buying organization, to cease violating Section 2(f) of the Clayton Act by inducing and accepting illegal price discriminations from their suppliers through such practices as (1) requiring suppliers who sold on a quantity discount schedule to base their discounts on the combined purchases of all group members; (2) requiring suppliers who did not give trade discounts to competing customers to give them to members; and (3) replacing suppliers who did not grant discriminatory terms to the group with others who did.

COMPLAINT

The Federal Trade Commission, having reason to believe that the party respondents named in the caption hereof, and hereinafter more particularly designated and described, have violated and are now violating the provisions of Subsection (f) of Section 2 of the Clayton Act, as amended by the Robinson-Patman Act, approved June 19, 1936, (U.S.C. Title 15, Sec. 13) hereby issues its complaint, stating its charges with respect thereto as follows:

PARAGRAPH 1. Respondent Warehouse Distributors, Inc., hereinafter sometimes referred to as respondent WDI, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Tennessee, with its principal office and place of business located at 138 Seaboard Boulevard, NW., Atlanta, Ga.

Respondent WDI, although utilizing corporate form, is a membership organization maintained, managed, controlled, and operated by and for its members. The membership of respondent WDI is composed of corporations and individuals whose business consists of the jobbing of automotive parts and supplies.

Respondent WDI, as constituted and operated, is known and referred to in the trade as a buying group.

Respondent Charles A. Cole, is now and has been since 1948, manager of respondent WDI. His office and principal place of business, as manager of respondent WDI, is located at 138 Seaboard Boulevard, NW., Atlanta, Ga.

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PAR. 2. The following respondent corporations and individuals, sometimes hereinafter referred to as respondent jobbers, constitute respondent WDI:

Respondent, Alexander-Seewald Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Georgia with its principal office and place of business located at 410 West Peachtree Street, NW., Atlanta, Ga.

The following respondent individual is a principal officer of said respondent corporation:

R. Jackson Alexander, president and treasurer.

Respondent Automotive Supply Co. is a corporation organized, existing and doing business under and by virtue of the laws of the State of West Virginia, with its principal office and place of business located at 255 Bluefield Avenue, Bluefield, W. Va.

The following respondent individual is a principal officer of said respondent corporation:

Frank McKenzie, president and treasurer.

Respondent Auto Specialty Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia with its principal office and place of business located at 525 Loyal Street, Danville, Va.

The following respondent individual is a principal officer of said respondent corporation:

H. Edgar Allen, Jr., president and treasurer.

Respondent Auto Spring & Bearing Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia with its principal office and place of business located at 118 West Luck Street, Roanoke, Va.

The following respondent individual is a principal officer of said respondent corporation:

Gordon E. Johnson, president.

Respondent Black & Company, Inc., is a corporation organized existing and doing business under and by virtue of the laws of the State of Tennessee, with its principal office and place of business located at 417 Henley Street, Knoxville, Tenn.

The following respondent individual is a principal officer of said respondent corporation:

Jack F. Black, president.

Respondent A. C. Broyles, Jr., is a sole proprietor doing business under the firm name and style, Broyles Rubber Oil Company, with his principal office and place of business located at 110 South Irish Street, Greeneville, Tenn.

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Respondent Butler Supply Company, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Georgia with its principal office and place of business located at 738 Third Street, Macon, Ga.

The following respondent individual is a principal officer of said respondent corporation:

Milton E. Butler, president.

Respondent C & B Parts Service, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Georgia, with its principal office and place of business located at 1315 First Avenue, Columbus, Ga.

The following respondent individual is a principal officer of said respondent corporation:

Benjamin T. Brooks, Sr., president and treasurer.

Respondent Consolidated Automotive Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida with its principal place of business located at 1075 West Forsyth Street, Jacksonville, Fla.

The following respondent individual is a principal officer of said respondent corporation:

Edgar H. Rogers, Jr., president.

Respondent Craig Motor Service Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of West Virginia, with its principal office and place of business located at 116 Jackson Street, Fairmont, W. Va.

The following respondent individual is a principal officer of said respondent corporation:

Wallace D. Craig, vice president, treasurer and general manager.

Respondent General Automotive Supply Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia with its principal office and place of business located at 1916 Granby Street, Norfolk, Va.

The following respondent individual is a principal officer of said respondent corporation:

William P. Butt, president.

Respondent Hart's Automotive Parts Co. is a corporation, organized, existing and doing business under and by virtue of the laws of the State of Tennessee, with its principal office and place of business located at 1230 Market Street, Chattanooga, Tenn.

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The following respondent individuals are principal officers of said respondent corporation:

R. Henry Hart, Jr., president.

W. Russell Johnson, vice president and general manager.

Respondent Billie Bruce Jones is a sole proprietor doing business under the firm name and style of Bruce Jones Company, with his office and principal place of business located at 127 Flint Avenue, Albany, Ga.

Respondent Motor Bearings & Parts Co. of Raleigh, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of North Carolina, with its principal office and place of business located at 415 South Salisbury Street, Raleigh, N.C.

The following respondent individuals are principal officers of said respondent corporation:

Lorentz T. White, chairman of the board.

Lorentz T. White, Jr., president.

Sydnor M. White, secretary and treasurer.

Respondent Motor Car Supply Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of West Virginia, with its principal office and place of business located at 1203 Virginia Street, Charleston, W. Va.

The following respondent individuals are principal officers of said respondent corporation:

Emory R. Young, president and manager.

Hoke J. Monroe, vice president.

Respondent Motor & Electric Supply Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Kentucky, with its principal office and place of business located at 337½ East Main Street, Bowling Green, Ky.

The following respondent individual is a principal officer of said respondent corporation:

J. A. Bryant, president and general manager.

Respondent The Parts Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of South Carolina, with its principal office and place of business located at 1819 Taylor Street Columbia, S.C.

The following respondent individual is a principal officer of said respondent corporation:

Walton H. Rockafellow, president and treasurer.

Respondent Parts Service Company, Inc., is a corporation or-

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ganized, existing and doing business under and by virtue of the laws of the State of Alabama, with its principal office and place of business located at 408 Bibb Street, Montgomery, Ala.

The following respondent individuals are principal officers of said respondent corporation:

Claude R. Kirk, president.

Samuel R. Meadows, general manager.

Respondent Phelps-Roberts Corporation, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its principal office and place of business located at 1825-31 14th Street, NW., Washington, D.C.

The following respondent individual is a principal officer of said respondent corporation:

Robert E. Phelps, president and treasurer.

Respondent Richmond Auto Parts Company, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia, with its principal office and place of business located at 1207 North Boulevard, Richmond, Va.

The following respondent individual is a principal officer of said respondent corporation:

Hansford B. Truslow, president.

Respondent Scurry & Nixon, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of South Carolina, with its principal office and place of business located at 422 South Main Street, Greenville, S.C.

The following respondent individual is a principal officer of said respondent corporation:

James A. Brown, president.

Respondent Southern Bearings & Parts Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of North Carolina, with its principal office and place of business located at 500 North College Street, Charlotte, N.C.

The following respondent individuals are principal officers of said respondent corporation:

Clarence E. Beeson, president.

O. Harold Hamby, vice president.

Respondent Southern Parts & Bearing Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia, with its principal office and place of business located at 910-916 Commerce Street, Lynchburg, Va.

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The following respondent individuals are principal officers of said respondent corporation:

Randolph M. Myers, president.

H. Ival Slaydon, vice president.

Respondent Spartan Automotive Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of South Carolina, with its principal office and place of business located at 300 West Main Street, Spartanburg, S.C.

The following respondent individual is a principal officer of said respondent corporation:

Theodore R. Garrison, president and treasurer.

Respondent H. Steenken & Co. is a corporation organized, existing and doing business under and by virtue of the laws of the State of South Carolina, with its principal office and place of business located at 450-452 Meeting Street, Charleston, S.C.

The following respondent individuals are principal officers of said respondent corporation:

Frank E. Condon, president.

F. Raymond O'Keefe, treasurer and general manager.

Respondent United Service Co. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Kentucky, with its principal office and place of business located at East High Street and Viaduct, Lexington, Ky.

The following respondent individuals are principal officers of said respondent corporation:

John H. Yellman, president.

Oliver A. Bakhaus, vice president.

Respondent Valley Distributors, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia, with its principal office and place of business located at 22 Amherst Street, Winchester, Va.

The following respondent individuals are principal officers of said respondent corporation:

Dudley C. Lichliter, president.

C. F. Staples, vice president.

Respondent Womwell Automotive Parts Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Kentucky, with its principal office and place of business located at 240 Clark Street, Lexington, Ky.

The following respondent individual is a principal officer of said respondent corporation:

Barclay A. Storey, president.

PAR. 3. The respondent jobbers set forth in Paragraph 2 have purchased and now purchase in commerce from suppliers engaged in commerce numerous automotive products and supplies for use, consumption, or resale within the United States and in the District of Columbia. Respondent jobbers and said suppliers cause the products and supplies so purchased to be shipped and transported among and between the several States of the United States from the respective state or states of location of said suppliers to the respective different state or states of location of the said respondent jobbers.

PAR. 4. In the purchase and resale of said automotive products and supplies, respondent jobbers are in active competition with independent jobbers not affiliated with respondent WDI; and the suppliers selling to respondent jobbers and to their independent jobber competitors are in active competition with other suppliers of similar automotive products and supplies.

PAR. 5. Respondent WDI, since its formation in 1948, has been and is now maintained, managed, controlled, and operated by and for the respondent jobbers set forth in Paragraph 2 and each said respondent has participated in approved, furthered, and cooperated with the other respondents in the carrying out of the procedures and activities hereinafter described.

In practice and effect, respondent WDI has been and is now serving as the medium or instrumentality by, through, or in conjunction with, which said respondent jobbers exert the influence of their combined bargaining power on the competitive suppliers hereinbefore described. As a part of their operating procedure, said respondent jobbers direct the attention of said suppliers to their aggregate purchasing power as a buying group and, by reason of such, have knowingly demanded and received, upon their individual purchases discriminatory prices, discounts, allowances, rebates, and terms and conditions of sale. Suppliers not acceding to such demands are usually replaced as sources of supply for the commodities concerned and such market is closed to them in favor of such suppliers as can be and are induced to afford the discriminatory prices, discounts, allowances, rebates, and terms and conditions of sale so demanded.

Respondent jobbers demand that those suppliers who sell their products pursuant to a quantity discount schedule shall consider their several purchases in the aggregate as if made by one purchaser and grant quantity discounts, allowances, or rebates on

the resultant combined purchase volume in accordance with said suppliers' schedule. This procedure effects a discrimination in price on goods of like grade and quality between respondent jobbers and competing independent jobbers whose quantity discounts, allowances, or rebates from such suppliers are based upon only their individual purchase volumes. From other suppliers the respondent jobbers demand the payment or allowance of trade discounts, allowances, or rebates which such suppliers do not ordinarily pay or allow to jobber customers. This procedure effects a discrimination in price on goods of like grade and quality between respondent jobbers, and competing independent jobbers who are not afforded such trade discounts, allowances, or rebates.

When and if a demand is acceded to by a particular supplier, the subsequent purchase transactions between said supplier and the individual jobber respondents have been and are billed to, and paid for through, the aforesaid organizational device of respondent WDI. Said corporate organization thus purports to be the purchaser when in truth and in fact it has been and is now serving only as agent for the several respondent jobbers and as a mere bookkeeping device for facilitating the inducement and receipt by the above-described respondent jobbers of the price discriminations concerned.

PAR. 6. Respondents have induced or received from their suppliers, in the manner afore-described, favorable prices, discounts, allowances, rebates, terms and conditions of sale which they knew or should have known constituted discriminations in price prohibited by subsection (a) of Section 2 of the Clayton Act, as amended by the Robinson-Patman Act.

PAR. 7. The effect of the knowing inducement or receipt by respondents of the discriminations in price as above alleged has been and may be substantially to lessen, injure, destroy, or prevent competition between suppliers of automotive products and supplies and between respondent jobbers and independent jobbers.

PAR. 8. The foregoing alleged acts and practices of respondents, in knowingly inducing or receiving discriminations in price prohibited by subsection (a) of Section 2 of the Clayton Act, as amended by the Robinson-Patman Act, are in violation of subsection (f) of Section 2 of said Act.

Mr. Francis C. Mayer and Mr. William W. Rogal for the Commission.

Howrey & Simon, of Washington, D.C., by *Mr. David C. Murchison*, for respondents.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

The complaint in this proceeding issued July 10, 1957, charges the respondents Warehouse Distributors, Inc., a corporation, and Charles A. Cole, individually and as manager; Alexander-Seewald Co., Inc., a corporation, and R. Jackson Alexander, individually and as an officer; Automotive Supply Co., a corporation, and Frank McKenzie, individually and as an officer; Auto Specialty Co., Inc., a corporation, and H. Edgar Allen, Jr., individually and as an officer; Auto Spring & Bearing Co., Inc., a corporation, and Gordon E. Johnson, individually and as an officer; Black & Company, Inc., a corporation, and Jack F. Black, individually and as an officer; A. C. Broyles, Jr., doing business under the firm name and style of Broyles Rubber Oil Company, a sole proprietorship; Butler Supply Company, Inc., a corporation, and Milton E. Butler, individually and as an officer; C & B Parts Service, Inc., a corporation, and Benjamin T. Brooks, Sr., individually and as an officer; Consolidated Automotive Company, a corporation, and Edgar H. Rogers, Jr., individually and as an officer; Craig Motor Service Co., Inc., a corporation and Wallace D. Craig, individually and as an officer; General Automotive Supply Co., Inc., a corporation, and William P. Butt, individually and as an officer; Hart's Automotive Parts Co., a corporation, and R. Henry Hart, Jr., and W. Russell Johnson, individually and as officers; Billie Bruce Jones, doing business under the firm name and style of Bruce Jones Company, a sole proprietorship; Motor Bearings & Parts Co. of Raleigh, Inc., a corporation, and Lorentz T. White, Lorentz T. White, Jr., and Sydnor M. White, individually and as officers; Motor Car Supply Company, a corporation, and Emory R. Young and Hoke J. Monroe, individually and as officers; Motor & Electric Supply Co., Inc., a corporation, and J. A. Bryant, individually and as an officer; The Parts Company, a corporation, and Walton H. Rockafellow, individually and as an officer; Parts Service Company, Inc., a corporation, and Claude R. Kirk and Samuel R. Meadows, individually and as officers; Phelps-Roberts Corporation, a corporation, and Robert E. Phelps, individually and as an officer; Richmond Auto Parts Company, Inc., a corporation, and Hansford B. Truslow, individually and as an officer; Scurry & Nixon, Inc., a corporation, and James A. Brown, individually and as an officer; Southern Bearings & Parts

Co., Inc., a corporation, and Clarence E. Beeson and O. Harold Hamby, individually and as officers; Southern Parts & Bearing Co., Inc., a corporation, and Randolph M. Myers and H. Ival Slaydon, individually and as officers; Spartan Automotive, Inc., a corporation, and Theodore R. Garrison, individually and as an officer; H. Steenken & Co., a corporation, and Frank E. Condon and F. Raymond O'Keefe, individually and as officers; United Service Co., a corporation, and John H. Yellman and Oliver A. Bakhaus, individually and as officers; Valley Distributors, Inc., a corporation, and Dudley C. Lichliter and C. F. Staples, individually and as officers; Womwell Automotive Parts Co., Inc., a corporation, and Barclay A. Storey, individually and as an officer, with violation of the provisions of subsection (f) of Section 2 of the Clayton Act, as amended by the Robinson-Patman Act.

After the issuance of the complaint, said respondents entered into an agreement containing consent order to cease and desist with counsel in support of the complaint, disposing of all the issues in this proceeding, which agreement was duly approved by the director and assistant director of the Bureau of Litigation.

Subsequent to the submission of said agreement containing a consent order, counsel for the respondents and counsel in support of the complaint on June 16, 1958, filed a joint motion to amend said agreement by substituting a revised page 10. In said motion, counsel for the respondents represented that all signatories to the consent agreement are represented by him and that he has consulted with them and is specifically authorized to join with counsel in support of the complaint, in said motion. On June 19, 1958, the hearing examiner after consideration of said motion issued an order amending said agreement containing a consent order to cease and desist by substituting a revised page 10 as requested in said motion.

It was expressly provided in said amended agreement that the signing thereof is for settlement purposes only and does not constitute an admission by said respondents that they have violated the law as alleged in the complaint.

By the terms of said amended agreement, the said respondents admitted all the jurisdictional facts alleged in the complaint and agreed that the record herein may be taken as if the Commission had made findings of jurisdictional facts in accordance with the allegations, and that this amended agreement disposes of all of this proceeding as to all parties.

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By said amended agreement, the parties 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 the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the amended agreement.

Respondents further agreed that the order to cease and desist, issued in accordance with said amended agreement shall have the same force and effect as if made after a full hearing.

It was further provided that said amended agreement, together with the complaint, shall constitute the entire record herein; that the complaint herein may be used in construing the terms of the order issued pursuant to said amended agreement; and that said order may be altered, modified or set aside in the manner prescribed by the statute for orders of the Commission.

The hearing examiner has considered the amended agreement and the order therein contained, and, it appearing that said amended agreement and order provide for an appropriate disposition of this proceeding, the same 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 amended agreement, the hearing examiner finds that the Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents named herein, and issues the following order:

ORDER

It is ordered, That respondents Warehouse Distributors, Inc., a corporation, and Charles A. Cole, individually and as manager; Alexander-Seewald Co., Inc., a corporation, and R. Jackson Alexander, individually and as an officer; Automotive Supply Co., a corporation, and Frank McKenzie, individually and as an officer; Auto Specialty Co., Inc., a corporation, and H. Edgar Allen, Jr., individually and as an officer; Auto Spring & Bearing Co., Inc., a corporation, and Gordon E. Johnson, individually and as an officer; Black & Company, Inc., a corporation, and Jack F. Black, individually and as an officer; A. C. Broyles, Jr., doing business under the firm name and style of Broyles Rubber Oil Company, a sole proprietorship; Butler Supply Company, Inc., a corporation, and Milton E. Butler, individually and as an officer; C & B Parts Service, Inc., a corporation, and Benjamin T. Brooks, Sr., individ-

ually and as an officer; Consolidated Automotive Company, a corporation, and Edgar H. Rogers, Jr., individually and as an officer; Craig Motor Service Co., Inc., a corporation, and Wallace D. Craig, individually and as an officer; General Automotive Supply Co., Inc., a corporation, and William P. Butt, individually and as an officer; Hart's Automotive Parts Co., a corporation, and R. Henry Hart, Jr., and W. Russell Johnson, individually and as officers; Billie Bruce Jones, doing business under the firm name and style of Bruce Jones Company, a sole proprietorship; Motor Bearings & Parts Co. of Raleigh, Inc., a corporation, and Lorentz T. White, Lorentz T. White, Jr., and Sydnor M. White, individually and as officers; Motor Car Supply Company, a corporation, and Emory R. Young and Hoke J. Monroe, individually and as officers; Motor & Electric Supply Co., Inc., a corporation, and J. A. Bryant, individually and as an officer; The Parts Company, a corporation, and Walton H. Rockafellow, individually and as an officer; Parts Service Company, Inc., a corporation, and Claude R. Kirk and Samuel R. Meadows, individually and as officers; Phelps-Roberts Corporation, a corporation, and Robert E. Phelps, individually and as an officer; Richmond Auto Parts Company, Inc., a corporation, and Hansford B. Truslow, individually and as an officer; Scurry & Nixon, Inc., a corporation, and James A. Brown, individually and as an officer; Southern Bearings & Parts Co., Inc., a corporation, and Clarence E. Beeson and O. Harold Hamby, individually and as officers; Southern Parts & Bearing Co., Inc., a corporation, and Randolph M. Myers and H. Ival Slaydon, individually and as officers; Spartan Automotive, Inc., a corporation, and Theodore R. Garrison, individually and as an officer; H. Steenken & Co., a corporation, and Frank E. Condon and F. Raymond O'Keefe, individually and as officers; United Service Co., a corporation, and John H. Yellman and Oliver A. Bakhaus, individually and as officers; Valley Distributors, Inc., a corporation, and Dudley C. Lichliter and C. F. Staples, individually and as officers; Womwell Automotive Parts Co., Inc., a corporation, and Barclay A. Storey, individually and as an officer, their officers, agents, representatives and employees in connection with the offering to purchase or purchase of any automotive products or supplies in commerce, as "commerce" is defined in the Clayton Act, do forthwith cease and desist from:

Knowingly inducing or knowingly receiving or accepting any discrimination in the price of such products and supplies, by directly or indirectly inducing, receiving, or accepting from any

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seller a net price known by respondents to be below the net price at which said products and supplies of like grade and quality are being sold by such seller to other customers, where the seller is competing with any other seller for respondents' business, or where respondents are competing with other customers of the seller.

For the purpose of determining "net price" under the terms of this order, there shall be taken into account discounts, rebates, allowances, deductions or other terms and conditions of sale by which net prices are effected.

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 14th day of August 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.

Decision

IN THE MATTER OF
SUNWAY VITAMIN COMPANY, ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket 6872. Complaint, Aug. 21, 1957—Decision, Aug. 14, 1958

Consent order requiring Chicago sellers to cease representing falsely in pamphlets, circulars, and other advertising matter that use of their "Sunway Super Vitamin Tablets With Iron" would be effective in providing pep, zip, vitality, and more red blood, and in relieving nervousness and restlessness.

Mr. Michael J. Vitale and Mr. Thomas A. Sterner supporting the complaint.

Mr. John S. Hall and Mr. James McKeag, of Chicago, Ill., for respondents.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

On August 21, 1957, the Federal Trade Commission issued a complaint alleging that the Sunway Vitamin Company, a corporation, Ethel P. Heyman and Daniel J. Haskell, individually and as officers of said corporation, hereinafter called respondents, had violated the provisions of the Federal Trade Commission Act by making false, misleading and deceptive statements and representations in advertisements of their product "Sunway Super Vitamin Tablets with Iron" which they distributed.

After issuance and service of the complaint, the respondents, their counsel, and counsel supporting the complaint entered into an agreement for a consent order. The order disposes of the matters complained about. The agreement has been approved by the director and assistant director of the Bureau of Litigation.

The pertinent provisions of said agreement are as follows: Respondents admit 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; respondents waive the requirement that the decision must contain a statement of findings of fact and conclusions of law; respondents waive further pro-