

IN THE MATTER OF
THEODORE F. CRANDALL
TRADING AS INTERSTATE BUSINESS AND
PROPERTY EXCHANGE COMPANY

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

Docket 7109. Complaint, Apr. 7, 1958—Decision, Sept. 25, 1958

Consent order requiring an individual in St. Louis, engaged in selling newspaper advertising in connection with the sale of business and other properties, to cease representing falsely—by means of post cards, in contracts, by statements of its agents, and otherwise—that his “Confidential Report of Buyers” was published and circulated monthly and was a list of buyers for specific properties with cash available for purchases thereof; that his “Statewide Buyers’ Guide” was the foremost publication of its kind in the country and was sent to a large number of leading real estate brokers who would sell the listed properties; and that properties of advertisers would be sold within a specified time, lacking which there would be no charge for advertising; and to cease representing falsely, through use of his trade name, by statements of his solicitors and otherwise, that he was engaged in the sale and exchange of real estate and other property.

John W. Brookfield, Jr., Esq., in support of the complaint.
Kramer & Chused, of St. Louis, Mo., for respondent.

INITIAL DECISION BY JAMES A. PURCELL, HEARING EXAMINER

The complaint in this proceeding, issued April 7, 1958, charges the respondent Theodore F. Crandall, an individual, trading and doing business as Interstate Business and Property Exchange Company, with violation of the Federal Trade Commission Act in connection with the offering for sale or sale of advertising in his publication “Statewide Buyers’ Guide” and other publications. The office and principal place of business of respondent is located at 315 North 7th Street, St. Louis, Mo.

After the issuance of said complaint respondent on July 1, 1958, entered into an agreement for a consent order with counsel in support of the complaint, disposing of all of the issues in this proceeding, which agreement was duly approved by the director and assistant director of the Bureau of Litigation of the Federal Trade Commission. It was expressly provided in said agreement that the signing thereof is for settlement purposes only and does

not constitute an admission by respondent that he has violated the law as alleged in the complaint.

By the terms of said agreement, the respondent admitted all of the jurisdictional allegations of the complaint and agreed that the record herein may be taken as though the Commission had made findings of jurisdictional facts in accordance with such allegations. By said agreement the parties expressly waived a hearing before the hearing examiner or the Commission, the making of findings of fact or conclusions of law by the hearing examiner or the Commission, the filing of exceptions and oral argument before the Commission, and all further and other procedure before the hearing examiner and the Commission to which the respondent may otherwise be entitled under the Federal Trade Commission Act or the Rules of Practice of the Commission.

By said agreement, respondent further agreed that the order to cease and desist issued in accordance with said agreement shall have the same force and effect as though made after a full hearing, presentation of evidence and findings and conclusions thereon, and specifically waived any and all right, power or privilege to challenge or contest the validity of such order.

It was further provided that said 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 agreement; and that the said order may be altered, modified or set aside in the manner provided for other orders of the Commission.

Said agreement recites that respondent Theodore F. Crandall is an individual trading and doing business as Interstate Business and Property Exchange Company, with his office and principal place of business located at 315 North 7th Street, St. Louis, Mo.

The hearing examiner has considered such agreement and the order therein contained, and, it appearing that said agreement and order provides for an appropriate disposition of this proceeding, the same is hereby accepted and, without further notice to respondent, 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 finds that the Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent named herein, and that this proceeding is in the interest of the public, wherefore he issues the following order:

Decision

55 F.T.C.

ORDER

It is ordered, That Theodore F. Crandall, now trading as Interstate Business and Property Exchange Company, or trading under any other name, his representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale or sale of advertising in his publication "Statewide Buyers' Guide" or in any other publication, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, that:

(a) Respondent's "Confidential Report of Buyers" is a screened or handpicked list of buyers for specific properties; or that the persons listed therein are known by respondent to have cash available to purchase the specific properties of persons who purchase his advertising.

(b) Respondent's "Statewide Buyers' Guide" is sent to a large number of leading real estate brokers or throughout the nation or misrepresenting the number of brokers to which said publication is sent or the extent of its distribution.

(c) Brokers to whom respondent's "Statewide Buyers' Guide" is sent will sell the specific properties listed therein.

(d) The properties listed will be sold within a specified time, or at all.

(e) No charge will be made for advertising if the property advertised is not sold.

(f) Respondent's "Confidential Report of Buyers" is published or circulated monthly, or at any other time that is not in accordance with the facts.

(g) Respondent's "Statewide Buyers' Guide" is the foremost publication in the country advertising properties for sale, lease or exchange, or misrepresenting in any manner the position of said publication in its field.

2. Using the words "Business and Property Exchange," or any other word or words of similar import, as a part of any corporate or trade name, or representing in any manner that respondent is engaged in the buying, selling or exchanging of real estate or any other property, unless such is the fact.

DECISION OF THE COMMISSION AND ORDER TO FILE
REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice,

INTERSTATE BUSINESS AND PROPERTY EXCHANGE CO. 471

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Decision

the initial decision of the hearing examiner shall, on the 25th day of September 1958, become the decision of the Commission; and, accordingly:

It is ordered, That the respondent herein 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
CHADBOURN GOTHAM, INC.

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

Docket 7110. Complaint, Apr. 7, 1958—Decision, Sept. 25, 1958

Consent order requiring a manufacturer in Charlotte, N.C., to cease preticketing its lingerie and hosiery with fictitiously high prices.

Mr. Edward F. Downs supporting the complaint.

Mr. Peter P. Mullen of *Dewey, Ballantine, Bushby, Palmer & Wood* of New York, N.Y., for respondent.

INITIAL DECISION BY JOSEPH CALLAWAY, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondent on April 7, 1958, charging it with having violated the Federal Trade Commission Act as set forth in the complaint. After issuance and service of the complaint, respondent on July 28, 1958 entered into an agreement for a consent order to cease and desist from the practices complained of which agreement disposes of all the issues in this proceeding without hearing. This agreement has been duly approved by the assistant director and director of the Bureau of Litigation and has been submitted to the undersigned, heretofore designated to act as hearing examiner herein for his consideration in accordance with Rule 3.25 of the Rules of Practice of the Commission.

Respondent, pursuant to the aforesaid agreement, has admitted all of the jurisdictional allegations of the complaint and agreed that the record may be taken as if findings of the jurisdictional facts had been duly made in accordance with such allegations. Said agreement provides further that respondent waives all further procedural steps before the hearing examiner or the Commission, including the making of findings of fact or conclusions of law and the right to challenge or contest the validity of the order to cease and desist entered in accordance with such agreement. It has also been agreed that the record herein shall consist solely of the complaint and said 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 said agreement is for settlement purposes only and does not constitute an