

Order

55 F.T.C.

IN THE MATTER OF
LIBERTY MUTUAL INSURANCE COMPANY

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

Docket 6451. Complaint, Nov. 18, 1955—Order, Oct. 30, 1958

Order dismissing, for lack of jurisdiction, following the ruling of the Supreme Court of the United States in *Federal Trade Commission v. National Casualty Company* and *Federal Trade Commission v. The American Hospital and Life Insurance Company*, 357 U.S. 560, complaint charging an insurance company with main office in Boston, Mass., with false advertising of its health and accident policies.

Before Mr. Loren H. Laughlin and Mr. Frank Hier, hearing examiners.

Mr. John W. Brookfield, Jr. and Mr. Donald King for the Commission.

Mr. Franklin J. Marryott, of Boston, Mass., and Hogan & Hartson, of Washington, D.C., for respondent.

FINAL ORDER

It appearing that an initial decision in this proceeding was filed May 27, 1957, dismissing the complaint herein on the ground of failure of proof and that, by its order of November 12, 1957, the Commission remanded the matter to the hearing examiner; and

The Commission having reconsidered the matter in the light of the United States Supreme Court's ruling in *Federal Trade Commission v. National Casualty Company*, 357 U.S. 560 (1958), and having concluded that this proceeding should be dismissed on jurisdictional grounds upon the authority of said ruling of the Supreme Court:

It is ordered, That the Commission's order of November 12, 1957, removing this case from the appeal docket and remanding it to the hearing examiner be, and it hereby is, vacated and set aside.

It is further ordered, That the initial decision filed May 27, 1957, be, and it hereby is, vacated and set aside.

It is further ordered, That the complaint herein be, and it hereby is, dismissed.

Decision

IN THE MATTER OF
MID-TEX CORPORATION ET AL.ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket 6788. Complaint, Apr. 30, 1957—Decision, Oct. 30, 1958

Order requiring five affiliated concerns, including two wholesale distributors who sold aluminum storm windows, screens, and doors to three retailers, to cease using bait advertising featuring low-priced merchandise, the true purpose of which was to obtain leads to prospective customers for higher priced products.

A similar consent order was accepted by one respondent corporation on May 8, 1958, 54 F.T.C. 1581.

Mr. Edward F. Downs and *Mr. Thomas A. Sterner* for the Commission.

Nachamie & Benjamin, by *Mr. Max Nachamie* and *Mr. Jay H. Siskin*, of New York, N.Y., for Mid-Tex Corporation, Apex Window Company, Inc., Arnold Semenoff and Sidney Tobinick.

Mr. Marcus Miller, of New York, N.Y., for Martin Austin and Jack Rachell.

SECOND INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint in this proceeding charges that the several respondents have violated the Federal Trade Commission Act through the use of false, misleading and deceptive advertising in connection with the sale and distribution of aluminum storm windows, screens and doors. Specifically, respondents are charged with representing that certain of their products were available to the public and could be procured at various low prices listed in newspaper, radio and television advertisements, whereas, in fact, "respondents were not interested in selling and were not making a bona fide offer to sell" the advertised items, but wanted to obtain leads and information "on persons interested in purchasing" products of better quality and higher price than those advertised.

All of the respondents, excepting Dolph Greene and Herbert Armstrong, were duly served with summons and a copy of the complaint. Answers were filed by Famous Window Company of Pennsylvania, a corporation, and by Harold Brown and Jesse Kessler individually and as officers of said corporation; Arnold Semenoff, Sidney Tobinick, Mid-Tex Corporation, Apex Window