

IN THE MATTER OF
H. S. STUTTMAN CO., ET AL.

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

Docket 7244. Complaint, Aug. 28, 1958—Decision, Feb. 10, 1959

Consent order requiring New York City sellers of the one-volume "Webster's Unified Dictionary and Encyclopedia" which drew its basic material from two older works, to cease representing falsely in advertising and on the title page that said "Dictionary" was a new publication, that all information therein was complete and up-to-date, and that it contained all the facts, features, and material of a giant dictionary and a multivolumed encyclopedia set; and requiring them to disclose clearly on the title page and in advertising the fact that the books were reprints or contained reprinted material when such was the case.

Mr. Charles W. O'Connell for the Commission.

Coudert Brothers by *Mr. Percy A. Shay*, of Washington, D.C., for respondents.

INITIAL DECISION BY FRANK HIER, HEARING EXAMINER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on August 28, 1958, issued and subsequently served its complaint in this proceeding against respondents H. S. Stuttman Co., a corporation existing and doing business under and by virtue of the laws of the State of New York, Harry S. Stuttman, Burton Stuttman and Martin Stuttman, individually and as president, secretary and vice president-treasurer, respectively, of the corporate respondent.

On December 16, 1958, there was submitted to the undersigned hearing examiner an agreement between respondents H. S. Stuttman Co. and Harry S. Stuttman and counsel supporting the complaint providing for the entry of a consent order. By the terms of said agreement, respondents admit all the jurisdictional facts alleged in the complaint and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. By such agreement, respondents waive any further procedural steps before the hearing examiner and the Commission; waive the making of findings of fact and conclusions of law; and waive all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with this agreement.

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Such agreement further provides that it disposes of all of this proceeding as to all parties. Attached to and made of part of said agreement is an affidavit attesting to the fact that Burton Stuttman and Martin Stuttman, named as respondents in the complaint, do not now and never have directed or controlled the policies and practices of the corporate respondent. The record on which this initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this agreement, and the latter shall not become a part of the official record unless and until it becomes a part of the decision of the Commission. This 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 and that the following order to cease and desist may be entered in this proceeding by the Commission without further notice to respondents and, when so entered, it shall have the same force and effect as if entered after a full hearing, and may be altered, modified, or set aside in the manner provided for other orders; and that the complaint may be used in construing the terms of the order.

The hearing examiner having considered the agreement and proposed order, and being of the opinion that they provide an appropriate basis for settlement and disposition of this proceeding, the agreement is hereby accepted, the following jurisdictional findings made, and the following order issued.

1. Respondent H. S. Stuttman Co. is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 404 Fourth Avenue, New York, N.Y. Respondent Harry S. Stuttman is president of said corporation and his office and principal place of business is the same as that of the corporate respondent.

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 respondent H. S. Stuttman Co., a corporation, and its officers, and respondent Harry S. Stuttman, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined

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in the Federal Trade Commission Act of Webster's Unified Dictionary and Encyclopedia, or any other book or publication of the same general character whether sold under the same or any other title, do forthwith cease and desist from:

1. Representing, directly or by implication, that Webster's Unified Dictionary and Encyclopedia is a new publication, provided that this shall not be construed to forbid respondents from representing that the manner of presentation of the information in such book is new.

2. Representing, directly or by implication, that the information in Webster's Unified Dictionary and Encyclopedia is complete or up-to-date.

3. Representing, directly or by implication, that Webster's Unified Dictionary and Encyclopedia contains all of the facts, features and materials of a giant dictionary and a multivolumed encyclopedia set.

4. Offering for sale, selling or distributing books or other publications consisting wholly or substantially of reprints of previously published books or other publications, unless:

(a) The fact that they are reprints or contain reprinted material and the titles of the previously published books or other publications is clearly disclosed on the title page in immediate conjunction with the title or in another position adapted readily to attract the attention of a prospective purchaser; and

(b) The fact that they are reprints or contain reprinted material is clearly disclosed in all advertising.

It is further ordered, That the complaint herein be dismissed as to respondents Burton Stuttman and Martin Stuttman.

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 10th day of February 1959, become the decision of the Commission; and, accordingly:

It is ordered, That the respondents H. S. Stuttman Co., a corporation, and Harry S. Stuttman, individually and as an officer of the corporate respondent, 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.

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IN THE MATTER OF
CARSON PIRIE SCOTT & COMPANY

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS

Docket 7270. Complaint, Oct. 1, 1958—Decision, Feb. 11, 1959

Consent order requiring a Chicago department store to cease violating the Fur Products Labeling Act by advertising in letters and otherwise which represented prices of fur products falsely as "Below original cost," and by failing to maintain adequate records as a basis for such claims.

Mr. John T. Walker for the Commission.

Sidley, Austin, Burgess & Smith, of Chicago, Ill., by *Mr. James E. S. Baker*, for respondent.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondent with certain violations of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, and the Federal Trade Commission Act. An agreement has now been entered into by respondent and counsel supporting the complaint which provides, among other things, that respondent admits 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, respondent 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 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 respondent that it has 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