

Decision

IN THE MATTER OF
M & M SPECIALTIES, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 7377. Complaint, Jan. 26, 1959—Decision, May 19, 1959*

Consent order requiring a New York City distributor to cease advertising falsely in newspapers, periodicals, and otherwise that attaching its "Color V"—a sheet of transparent plastic sprayed with orange paint blending into green at one border and blue at the opposite border—to a black and white television set would produce "reallife" color and eliminate glare, and that "Color V" was an electronic device.

Mr. Brockman Horne for the Commission.

Mr. Herbert J. A. Runsdorf, of New York, N.Y., for respondents.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondents with violation of the Federal Trade Commission Act through the making of certain representations in connection with a device advertised and sold by them, the device being intended for use on television sets. 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 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

Order

55 F.T.C.

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 M & M Specialties, Inc., is a corporation existing and doing business under the laws of the State of New York, with its office and principal place of business located at 43 East 19th Street, New York 3, N.Y. Respondents Max Schoman and Martin Greenwold are individuals and are president and secretary-treasurer, respectively, of said corporation. They formulate, direct and control said corporation's policies, acts and practices. Their business address 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 respondents M & M Specialties, Inc., a corporation, and its officers, and Max Schoman and Martin Greenwold, individually and as officers 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 and distribution of a plastic sheet to be fastened over the viewing screen of a television set, designated as "Color V," or any other product of substantially similar construction or possessing substantially the same characteristics, whether sold under the same or any other name, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication:

1. That by the use of such product

(a) In connection with the operation of a black-and-white television set, said television set will thereby produce the same visual effect as a color television set or misrepresenting in any manner the color provided by said product when used in connection with a television set;

(b) Glare will be eliminated from television screens;

2. That such product is an electronic device.

1821

Decision

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 19th day of May 1959, become the decision of the Commission; and, accordingly:

It is ordered, That the 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.

IN THE MATTER OF
LESTER B. PATTERSON ET AL.
TRADING AS SKIL-WEAVE CO., ET AL.¹

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

*Docket 7318. Complaint, Nov. 26, 1958—Decision, May 20, 1959*¹

Consent order requiring Chicago sellers of a correspondence course in reweaving to cease advertising falsely the ease of learning reweaving through their course, and overstating potential earnings and business opportunities for persons completing it; and

Complaint was dismissed on Nov. 7, 1959, as to respondent advertising agency and an official thereof.

Before Mr. Walter R. Johnson hearing examiner.

Mr. Edward F. Downs and Mr. John J. Mathias for the Commission.

Nash & Donnelly, by Mr. John A. Nash, of Chicago, Ill., for respondents Lester B. Patterson and Edythe F. Patterson, copartners trading and doing business as Skil-Weave Co.

INITIAL DECISION AS TO CERTAIN RESPONDENTS

In the complaint dated November 26, 1958, the respondents Lester B. Patterson and Edythe F. Patterson, copartners trading and doing business as Skil-Weave Co. are charged with violating the provisions of the Federal Trade Commission Act.

On March 4, 1959, the above-named respondents and their attorney entered into an agreement with counsel in support of the complaint for a consent order.

Under the agreement, respondents admit the jurisdictional facts alleged in the complaint. The parties agree, among other things, that the cease and desist order there set forth may be entered without further notice and have the same force and effect as if entered after a full hearing, and the document includes a waiver by respondents of all rights to challenge or contest the validity of the order issuing in accordance therewith. The agreement further recites that it 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 respondents Grant, Schwenck & Baker, Inc., a corporation,

¹ Published as modified July 7, 1959.