

July, 1959, 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
STACEY-WARNER CORP. ET AL.

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

Docket 7305. Complaint, Nov. 18, 1958—Decision, July 8, 1959

Consent order requiring a number of New York City concerns to cease representing falsely that the battery additive they distributed—known variously as “VX-6,” “Voltex-6,” etc.—had been tested and approved by the National Bureau of Standards and cleared by the U.S. Government for public use; that the product, or a similar one, was in regular use on the S.S. *Queen Mary* and S.S. *Queen Elizabeth* and on planes and other equipment of National Airlines; that articles in Reader’s Digest and Popular Science reflected favorably on the product; and that it was guaranteed or insured by Lloyds of London.

Harold A. Kennedy, Esq., and *Thomas F. Howder*, Esq., for the Commission.

Bass & Friend, by *Milton A. Bass*, Esq., of New York, N.Y., for respondents.

INITIAL DECISION BY ROBERT L. PIPER, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on November 18, 1958, charging them with

having violated the Federal Trade Commission Act in connection with the sale and distribution of a battery additive. On April 13, 1959, counsel supporting the complaint entered into three Agreements Containing Consent Order To Cease And Desist: the first with all respondents herein except Allan A. Hecht (erroneously named in the complaint as Alan A. Hecht), an individual doing business as Voltex Company; National Dynamics Corp., a corporation; and Elliott Meyer, individually and as an officer thereof; the second with respondent Allan A. Hecht; and the third with respondents National Dynamics Corp., and Elliott Meyer. These three agreements, which together dispose of all the issues as to all respondents in this proceeding, have been duly approved by the Director and an Assistant Director of the Bureau of Litigation. Said agreements have been submitted to the undersigned, heretofore duly designated to act as hearing examiner herein, for his consideration in accordance with §3.25 of the Rules of Practice of the Commission.

Respondents, pursuant to the aforesaid agreements, have admitted all of the jurisdictional allegations of the complaint and agreed that the record may be taken as if findings of jurisdictional facts had been made duly in accordance with such allegations. Said agreements further provide that respondents waive 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 agreements. It has also been agreed that the record herein shall consist solely of the complaint and said agreements, that the agreements shall not become a part of the official record unless and until they become a part of the decision of the Commission, that said agreements are for settlement purposes only and do not constitute an admission by respondents that they have violated the law as alleged in the complaint, that said order to cease and desist 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.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreements containing the consent order, and it appearing that the order and agreements cover all of the allegations of the complaint and provide for appropriate disposition of this proceeding, the agreements are hereby accepted and ordered filed upon this decision and said agreements becoming part of the Commission's decision pursuant to §§3.21 and 3.25 of the

Rules of Practice, and the hearing examiner accordingly makes the following findings, for jurisdictional purposes, and order:

Respondent Stacey-Warner Corp. is a corporation existing and doing business under and by virtue of the laws of the State of Florida, with its office and principal place of business located at 220 East 23rd Street, in the City of New York, State of New York.

Respondents Frank Schere and Elliott Meyer are officers of said Stacey-Warner Corp., and now, and at all times relevant herein, formulate, direct and control the acts and practices of said corporate respondent. Their address is the same as that of said corporate respondent.

Respondent Campbell-Smith Co., Inc., is a corporation 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 22 East 17th Street, in the City of New York, State of New York.

Respondent Melvin Seligman is the president of Campbell-Smith Co., Inc., and now, and at all times relevant herein, formulates, directs and controls the acts and practices of said corporate respondent. His address is 116 Fifth Avenue, in the City of New York, State of New York.

Respondent Mapleton Service, Inc., is a corporation 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 22 East 17th Street, in the City of New York, State of New York.

Respondents Murray Ross and Robert Vallon are officers of said Mapleton Service, Inc., and now, and at all times relevant herein, formulate, direct and control the acts and practices of said corporate respondent. Their address is the same as that of the corporate respondent.

Marvin Schere is an individual in the employ of Mapleton Service, Inc. His address is the same as that of said Mapleton Service, Inc.

Respondent David Geller is an individual doing business as David Geller, with his office and principal place of business located at 31 West 47th Street, in the City of New York, State of New York.

Respondent Parker Advertising, Inc., is a corporation existing and doing business under and by virtue of the laws of the State of Maryland, with its office and principal place of business located at 42 West 38th Street (formerly located at 9 East 45th Street), in the City of New York, State of New York.

Respondent L & D Automotive Products, Inc., is a corporation 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 42 West 38th Street (formerly located at 9 East 45th Street), in the City of New York, State of New York.

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Respondent Biotex, Ltd. is a corporation 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 42 West 38th Street (formerly located at 9 East 45th Street), in the City of New York, State of New York.

Respondent David Ratke is the president of said Parker Advertising, Inc. He now, and at all times relevant herein, formulates, directs and controls the acts and practices of said Parker Advertising, Inc., L & D Automotive Products, Inc. and Biotex, Ltd. His address is the same as that of said corporate respondents.

Respondent National Dynamics Corp. is a corporation existing and doing business under and by virtue of the laws of the State of Florida, with its office and principal place of business located at 220 East 23rd Street, in the City of New York, State of New York.

Respondent Elliott Meyer is the president of said National Dynamics Corp. and now, and at all times relevant herein, formulates, directs and controls the acts and practices of said corporate respondent. His address is the same as that of said corporate respondent.

Respondent Allan A. Hecht is an individual trading and doing business as Voltex Company, with his office and principal place of business located at 241 Lafayette Street, in the City of New York, State of New York.

The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents hereinabove named. The complaint states a cause of action against said respondents under the Federal Trade Commission Act, and this proceeding is in the interest of the public.

ORDER

It is ordered, That respondents Stacey-Warner Corp., a corporation, and its officers; Campbell-Smith Co., Inc., a corporation, and its officers; Mapleton Service, Inc., a corporation, and its officers; Parker Advertising, Inc., a corporation, and its officers; L & D Automotive Products, Inc., a corporation, and its officers; Biotex, Ltd., a corporation, and its officers; and Frank Schere, individually and as an officer of Stacey-Warner Corp.; Elliott Meyer, individually and as an officer of Stacey-Warner Corp.; Melvin Seligman, individually and as an officer of Campbell-Smith Co., Inc.; Murray Ross, individually and as an officer of Mapleton Service, Inc.; Robert Vallon, individually and as an officer of Mapleton Service, Inc.; Marvin Schere, an individual; David Geller, an individual doing business as David Geller; and David Ratke, individually and as an officer or directing official of Parker Advertising, Inc., L & D Auto-

motive Products, Inc., and Biotex, Ltd.; National Dynamics Corp., a corporation, and its officers, Elliott Meyer, individually and as officer of National Dynamics Corp.; Allan A. Hecht, an individual doing business as Voltex Company, and their representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution, of a battery additive, now known as VX-6, Voltex-6, Voltex, Voltex-Liquilectric, or of any other battery additive of substantially similar composition or possessing substantially similar properties, whether sold under the same name 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 said product has been tested, approved or recognized by the National Bureau of Standards, or that a similar product has been tested, approved or recognized by the National Bureau of Standards; or has been tested, approved or recognized by any other branch or agency of the United States Government, unless such is the fact;

2. That said product has been cleared by the United States Government for public use;

3. That said product, or one similar to it, is in regular use or has been regularly used on the S.S. *Queen Elizabeth*, the S.S. *Queen Mary*, the planes or other equipment of National Airlines; or that said product, or one similar to it, is in use or has been used on any machine or equipment by or on the above-mentioned ships or airlines or on any other machine or equipment or by any other person or firm, unless such is the fact;

4. That either the *Reader's Digest* or *Popular Science* or both have published articles reflecting favorably upon said product; or that any other magazine, periodical or publication has published an article reflecting favorably upon said product, or one similar to it, unless such is the fact;

5. That Lloyds of London has guaranteed or insured said product or in any way warranted its effectiveness, except that this shall not be construed to prohibit a truthful representation concerning product liability coverage.

It is further ordered. That all respondents named herein except Allan A. Hecht, an individual doing business as Voltex Company, and their agents, representatives and employees, directly or through any corporate or other device in connection with the offering for sale, sale or distribution, of a battery additive, now known as VX-6, Voltex-6, Voltex, Voltex-Liquilectric, or of any other battery addi-

tive of substantially similar composition or possessing substantially similar properties, whether sold under the same name 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 said product is in regular use or has been regularly used on United States Navy battery-driven submarines or any other equipment of the United States Navy; or that said product or one similar to it, is used or has been used by the United States Navy or any Government agency or other organization, person or firm, unless such is the fact.

It is further ordered. That all respondents named herein except Stacey-Warner Corp., National Dynamics Corp., a corporation, and its officers, Elliott Meyer, individually and as officer of National Dynamics Corp., and their agents, representatives and employees, directly or through any corporate or other device in connection with the offering for sale, sale or distribution, of a battery additive, now known as VX-6, Voltex-6, Voltex, Voltex-Liquilectric, or of any other battery additive of substantially similar properties, whether sold under the same name 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 the supply of said product for public use has been limited because of the demands of the Government or any other person, firm or organization.

It is further ordered. That respondents National Dynamics Corp., a corporation, and its officers, Elliott Meyer, individually and as officer of National Dynamics Corp., and their agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution, of a battery additive, now known as VX-6, Voltex-6, Voltex, Voltex-Liquilectric, or of any other battery additive of substantially similar composition or possessing substantially similar properties, whether sold under the same name 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 one or any of the persons associated in the distribution or sale of said product is a guided missile battery expert or scientist, 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, the initial decision of the hearing examiner shall, on the 8th day of

N & W ENTERPRISES, INC., ET AL.