

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
EMIL LEICHTER WATCH CO., INC., ET AL.

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

Docket 7358. Complaint, Jan. 14, 1959—Decision, Aug. 8, 1959

Consent order requiring a New York City distributor to cease selling watches to retailers with tickets attached bearing fictitious prices represented thereby as the usual retail prices, advertising its products falsely as "railroad" watches, using the term "chrome" to describe tops or bezels which contained only a surface coating of chromium, and failing to disclose that bezels processed to simulate silver or gold were composed of base metals.

Mr. Harry E. Middleton, Jr., for the Commission.

Weisman, Allan, Spett & Sheinberg, of New York, N.Y., by *Mr. Harry I. Rand*, 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 in connection with the advertising and sale of watches. An agreement has now been entered into by respondents and counsel supporting the complaint which

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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 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 Emil Leichter Watch Co., 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 551 Fifth Avenue, New York, New York. The individual respondents, Emil Leichter and Gustave S. Hartman, are officers of the corporate respondent and have their office and principal place of business at the same address as 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 Emil Leichter Watch Co., Inc., and its officers, and Emil Leichter and Gustave S. Hartman, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of watches or any other merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

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1. Representing, directly or by implication, that watches are "railroad" watches unless such watches are made to the specifications required for railroad watches.
2. Representing, directly or by implication, that a watch case which is "chrome" plated is a chrome watch case.
3. Failing to reveal the true metal content of watch cases, or portions thereof, which has the appearance of a different metal.
4. Representing, directly or by implication, that certain amounts are the usual and regular retail prices of merchandise when such amounts are in excess of the prices at which such merchandise is usually and regularly sold at retail.

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 August, 1959, become the decision of the Commission; and, accordingly:

It is ordered. That 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.