

It is further ordered, That the respondent, Mandel Brothers, Inc., shall, within sixty (60) days after service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist.

IN THE MATTER OF

METROPOLITAN VACUUM CLEANER COMPANY, INC.,
ET AL.

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

Docket 7406. Complaint, Feb. 13, 1959—Decision, Sept. 29, 1959

Consent order requiring two associated New York City distributors of vacuum cleaners and sewing machines to cease representing—in advertising media and instruction booklets—fictitious amounts as the usual retail prices; and to cease deceptive use of such expressions as “fully guaranteed” and “life-time service insurance policy” in connection with their products.

Mr. Michael J. Vitale for the Commission.

Mr. Samuel Mirkin, of New York, N.Y., for respondents.

INITIAL DECISION BY WALTER R. JOHNSON, HEARING EXAMINER

In the complaint dated February 13, 1959, the respondents are charged with violating the provisions of the Federal Trade Commission Act.

On July 31, 1959, the respondents and their attorney entered into an agreement with counsel in support of the complaint for a consent order.

Under the foregoing agreement, the 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 the 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 the respondents that they have violated the law as alleged in the complaint.

The hearing examiner finds that the content of the agreement meets all of the requirements of Section 3.25(b) of the Rules of the Commission.

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The agreement provides that the complaint insofar as concerns respondents Jules Stern and Pearl Stern in their individual capacities should be dismissed for the reasons set forth in affidavits attached thereto that said respondents do not now and never have formulated, directed or controlled the acts and policies of the said corporations.

The hearing examiner being of the opinion that the agreement and the proposed order provide an appropriate basis for disposition of this proceeding as to all of the parties, the agreement is hereby accepted and it is ordered that the agreement shall not become a part of the official record of the proceeding unless and until it becomes a part of the decision of the Commission. The following jurisdictional findings are made and the following order issued.

1. Respondent, Metropolitan Vacuum Cleaner Company, Inc., and Metropolitan Wholesalers, Inc., are corporations organized, existing and doing business under and by virtue of the laws of the State of New York, with their principal office and place of business located at 4143 Third Avenue, Bronx, New York.

Individual respondent Israel Stern and respondents Jules Stern and Pearl Stern are officers of the corporate respondents and have the same address as that of the corporate respondents.

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 Metropolitan Vacuum Cleaner Company, Inc., a corporation, respondent Metropolitan Wholesalers, Inc., a corporation, and their officers, and respondent Israel Stern, individually and as an officer of said corporations, and Jules Stern and Pearl Stern as officers of said corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of vacuum cleaners, sewing machines or any other merchandise in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication:

(a) That any price is the usual and regular retail price of merchandise when it is in excess of the price at which said merchandise is usually and regularly sold at retail in the normal course of business.

(b) That any merchandise offered for sale, or sold, is guaranteed, unless the nature and extent of the guarantee and the manner in

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which the guarantor will perform thereunder are clearly and conspicuously disclosed.

(c) That merchandise offered for sale, or sold by respondents is covered by a service insurance policy of any nature.

2. Placing in the hands of others, means or instrumentalities which may be used to misrepresent the regular and usual retail prices of merchandise.

It is further ordered. That the complaint, insofar as it relates to respondents Jules Stern and Pearl Stern in their individual capacities be, and the same hereby is, dismissed.

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 29th day of September, 1959, become the decision of the Commission; and, accordingly:

It is ordered. That the respondents Metropolitan Vacuum Cleaner Company, Inc., a corporation, Metropolitan Wholesalers, Inc., a corporation, Israel Stern, individually and as an officer of said corporations, and Jules Stern and Pearl Stern as officers of said corporations, 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

RALPH H. MILLER, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE