

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
THEODORE KAGEN CORP. ET AL.

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

Docket 6893. Complaint, Sept. 24, 1957—Decision, Nov. 19, 1959

Order requiring New York City importers, engaged in assembling watches and wholesaling them to watchmakers, to cease selling watch cases incorporating bezels composed of aluminum treated to simulate gold or gold alloy without clearly disclosing that the bezels were composed of base metal. Charges of falsely marking watch cases on the back as "water-resistant" and "water-protected," and with deceptive use of the word "manufacturers" on invoices and letterheads in connection with watch cases that they purchased from others, were dismissed.

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

Noble, Neuman & Moyle, of Washington, D.C., by *Mr. Ben Paul Noble*; and *Hoffman, Buchwald, Nadel, Cohen & Hoffman*, of New York, N.Y., by *Mr. Irving Margolis*, for respondents.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

1. The complaint in this matter charges that the respondents have engaged in certain misleading practices in connection with the advertising and sale of their watch cases, in violation of the Federal Trade Commission Act. After the filing of respondents' answer to the complaint, hearings were held at which evidence both in support of and in opposition to the complaint was received. Proposed findings and conclusions have been submitted and the case has been argued orally before the hearing examiner. Any proposed findings and conclusions not included herein have been rejected.

2. Respondent Theodore Kagen Corp., is a corporation organized and doing business under the laws of the State of New York, with its principal place of business at 48 West 48th Street, New York, New York. Respondent Theodore Kagen is president of the corporation and formulates, directs and controls its policies and practices. Respondent Theodore Kagen also does business under the name T. K. Co. Respondents are engaged in the sale of watch cases, the cases being sold to watch makers and to wholesalers of watch makers' supplies.

