

in detail the manner and form in which it has complied with the order to cease and desist.

IN THE MATTER OF
KINGSLEY COATS, INC., ET AL.

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

Docket 7548. Complaint, July 23, 1959—Decision, Dec. 8, 1959

Consent order requiring New York City manufacturers to cease such fictitious pricing practices as mailing to retailer purchasers, card advertisements stating that a group of women's coats they were offering were exceptionally priced to sell at \$69 and regularly sold at retail for \$100 to \$119, with a covering letter stating that such coats, priced by them at \$38.75, were to retail at \$69.

Mr. Ames W. Williams supporting the complaint.

Mr. Daniel Eisenberg, of Brooklyn, N.Y., for respondents.

INITIAL DECISION BY LEON R. GROSS, HEARING EXAMINER

On July 23, 1959, pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission caused to be issued its complaint in this proceeding to which the above-named parties were respondents. A true copy of said complaint was served upon respondents as required by law. The complaint charges respondents with violating the provisions of the Federal Trade Commission Act by engaging in unfair and deceptive acts and practices in the manufacture and sale of merchandise, particularly women's coats, in commerce as "commerce" is defined in the Federal Trade Commission Act by misrepresenting the price or prices at which such merchandise is usually and customarily sold at retail. After being served with said complaint, respondents appeared by counsel and entered into an agreement dated September 28, 1959, which purports to dispose of all of this proceeding as to all parties without the necessity of conducting a hearing. The agreement has been signed by all of the respondents, their counsel, and by counsel supporting the complaint; and has been approved by the Director and the Assistant Director of the Bureau of Litigation of this Commission. Said agreement contains the form of a consent cease and desist order which the parties have agreed is dispositive of the issues involved at this proceeding. On October

15, 1959, the said agreement was submitted to the above-named hearing examiner for his consideration, in accordance with Section 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings.

Respondents, pursuant to the aforesaid agreement, have admitted all the jurisdictional facts alleged in the complaint and agreed that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. Said agreement further provides that respondents waive any further procedural steps before the hearing examiner and the Commission, the making of findings of fact or conclusions of law, and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with such agreement. The parties have, *inter alia*, by such agreement agreed: (1) the order to cease and desist issued in accordance with said agreement shall have the same force and effect as if entered after a full hearing; (2) the complaint may be used in construing the terms of said order; (3) the record herein shall consist solely of the complaint and said agreement; (4) and that said 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.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreement of September 28, 1959, containing consent order, and it appearing that the order provided for in said agreement covers all of the allegations of the complaint and provides for an appropriate disposition of this proceeding as to all parties; the agreement of September 28, 1959 is hereby accepted and ordered filed at the same time that this decision becomes the decision of the Federal Trade Commission pursuant to Sections 3.21 and 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings; and

The undersigned hearing examiner having considered the agreement and proposed order and being of the opinion that the acceptance thereof will be in the public interest, hereby accepts such agreement, makes the following jurisdictional findings, and issues the following order:

JURISDICTIONAL FINDINGS

1. That the Federal Trade Commission has jurisdiction over the parties and the subject matter of this proceeding;

2. Respondent Kingsley Coats, Inc., is a corporation organized and existing under the laws of the State of New York with its office and principal place of business located at 512 Seventh Avenue, New York 18, New York;

3. Respondents Hyman Goldberg, Henry Goldberg, Charles Goldberg, Harry Goldberg and Sidney Goldberg, are officers of the corporate respondent and formulate, direct and control its acts and practices. Their business address is the same as the corporate respondent;

4. Respondents are engaged in commerce as "commerce" is defined in the Federal Trade Commission Act;

5. The complaint herein states a cause of action against said respondents under the Federal Trade Commission Act, and this proceeding is in the public interest.

ORDER

It is ordered. That the respondents Kingsley Coats, Inc., a corporation, and its officers, and Hyman Goldberg, Henry Goldberg, Charles Goldberg, Harry Goldberg and Sidney Goldberg, individually and as officers of the corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of women's coats, or any other products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from directly or indirectly:

1. Representing that certain prices are the customary or usual retail prices of merchandise when said prices are in excess of the prices at which said merchandise is customarily and usually sold at retail.

2. Furnishing any means or instrumentality to others by and through which they may mislead the public as to the usual and customary prices of respondents' products.

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 December, 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
NATIONAL SALES & MFG. CO., INC., ET AL.

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

Docket 7551. Complaint, July 23, 1959—Decision, Dec. 12, 1959

Consent order requiring Dallas, Tex., sellers of vending machines and vending machine supplies to cease making—in advertising and by their salesmen—false employment offers, exaggerated earnings claims, and other deceptions to sell their machines, including claims that money required of applicants was the working capital; that purchasers of machines earned from \$200 to \$386.40 per month; that they set up the business, secured profitable locations, installed vending machines, and supervised operation of the business; that they would repurchase machines after a year if the purchaser wished to sell; that they manufactured the machines they sold, etc.

Mr. Charles S. Cox supporting the complaint.

Mr. Barnett M. Goodstein, of Dallas, Tex., for respondents.

INITIAL DECISION BY JOHN B. POINDENTER, HEARING EXAMINER

On July 23, 1959, the Federal Trade Commission issued a complaint charging that the National Sales Mfg. Co., Inc., a corporation, Donald W. Williams and Ellery R. Swim, individually and as officers of said corporation, and Thomas J. Overholser, individually, had violated the provisions of the Federal Trade Commission Act as set forth in the complaint.

After issuance and service of the complaint, the above-named respondents, their counsel, and counsel supporting the complaint entered into an agreement for a consent order. By the terms of said agreement, it is stipulated that the individual respondent Ellery R. Swim is a former officer of the corporate respondent and the individual respondent Thomas J. Overholser is a former employee of the corporate respondent.

The pertinent provisions of said agreement are as follows: Respondents admit all jurisdictional facts; the complaint may be used in construing the terms of the order; the order shall have the same force and effect as if entered after a full hearing and the said 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 record herein shall consist solely of the complaint and the agreement; respondents waive the requirement that the decision must contain a statement of findings of fact and conclusions of law; respond-