

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

Docket 7569. Complaint, Aug. 25, 1959—Decision, Dec. 19, 1959

Consent order requiring New York City distributors of postage stamps to
dealers for resale to collectors, to cease such misrepresentations as listing

in their catalogs and circulars—bearing the statement “All stamps are guaranteed to be genuine”—various groups of postage stamps and adhesive labels resembling stamps purporting to be foreign postage stamps, which either were not postage stamps officially issued by the nations depicted or were not issued by a then existing government.

Mr. John W. Brookfield, Jr. for the Commission.

Goldwater & Flynn, by *Mr. Jonathan B. Bingham*, of New York, N.Y., for respondents.

INITIAL DECISION OF EDGAR A. BUTTLE, HEARING EXAMINER

On August 25, 1959, the Federal Trade Commission issued its complaint against the above-named respondents charging them with violating the provisions of the Federal Trade Commission Act in connection with the sale of postage stamps and labels. The allegations of the complaint aver that the respondents have published catalogues and circulars offering stamps for sale and guaranteeing them to be genuine, although, in truth and in fact, the labels and stamps were not officially issued or approved by the postal administration of the nations depicted on said stamps. On October 15, 1959, the respondents and counsel supporting the complaint entered into an agreement containing a consent order to cease and desist in accordance with Section 3.25(a) of the Rules of Practice and Procedure of the Commission.

Under the foregoing agreement, the respondents admit the jurisdictional facts alleged in the complaint and agree, among other things, that the cease and desist order there set forth may be entered without further notice and shall have the same force and effect as if entered after a full hearing. The agreement includes a waiver by the respondents of all rights to challenge or contest the validity of the order issuing in accordance therewith; and recites that the said agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission, and 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 said agreement meets all the requirements of Section 3.25(b) of the Rules of Practice.

This proceeding having now come on for final consideration by the hearing examiner on the complaint and the aforesaid agreement for consent order, and it appearing that said agreement provides for an appropriate disposition of this proceeding, the aforesaid agreement is hereby accepted and is ordered filed upon becoming part of the Commission's decision in accordance with Section 3.21 of the

Rules of Practice; and in consonance with the terms of said agreement, the hearing examiner makes the following jurisdictional findings and order:

1. Respondent J. & H. Stolow, Inc., is a corporation 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 50 West 46th Street, New York, New York.

Individual respondent Julius Stolow is president of the said corporation and formulates, directs and controls the acts, practices and policies of said corporation. His office is located at the same address as that of the corporate respondent.

2. 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 J. & H. Stolow, Inc., a corporation, and its officers, and Julius Stolow, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the sale of postage or other stamps or of adhesive labels having the appearance of postage stamps, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing that stamps and adhesive labels having the appearance of postage stamps are valid stamps, unless such stamps and labels are, or were, valid for the payment of some type of internal or external mail service, or were produced under the authority of authorized officials of a recognized or existing government.

2. Failing to clearly and conspicuously reveal in advertising that no representation is made that the stamps offered are presently valid for postal use or were originally issued primarily for postal use, or that they are stamps of a government recognized by the United States.

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 19th 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

