

TOYCRAFT ASSOCIATES, INC., ET AL.

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

Docket 7658. Complaint, Nov. 16, 1959—Decision Apr. 1, 1960

Consent order requiring manufacturers in Brooklyn, N.Y., to cease selling their stuffed toy animals with tickets attached, or supplied for use therewith, printed with fictitious and greatly exaggerated prices, thus represented falsely as the usual retail selling prices.

Mr. Ames W. Williams counsel supporting the complaint.

Respondents, *pro se*.

INITIAL DECISION BY EDWARD CREEL, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on November 16, 1959 charging them with having violated the Federal Trade Commission Act. The complaint alleged that respondents had misrepresented the usual or customary prices of their toys.

On February 1, 1960 there was submitted to the undersigned hearing examiner an agreement between respondents and counsel supporting the complaint providing for the entry of 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.

The hearing examiner having considered the agreement and proposed order, and being of the opinion that they provide an appropriate basis for settlement and disposition of this proceeding, the agreement is hereby accepted, and it is ordered that said agreement shall not become a part of the official record 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 Toycraft Associates, Inc., is a corporation organized and existing under and by virtue of the laws of the State of New York. Its office and principal place of business is located at 10 John Street, Brooklyn, New York.

2. Respondent Harold Miller is an officer of the corporate respondent and together with Phil Miller, an individual, formulate, direct and control the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. Their business address is the same as the corporate respondent.

3. 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 the respondents Toycraft Associates, Inc., a corporation, its officers and Harold Miller, individually and as an officer of the corporation, and Phil Miller, an individual, and respondents' agents, representatives and employees, directly or through any corporate or other device, in the connection with the offering for sale, sale, or distribution of stuffed toy animals 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, by preticketing or in any other manner, that any amount is the usual and regular retail price of merchandise when such amount is in excess of the price at which said merchandise is usually and regularly sold at retail in the trade area or areas where the representations are made.

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' merchandise.

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 1st day of April, 1960, 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.

IN THE MATTER OF

EDWARD S. BARSKY, INC., ET AL.