

Company, Inc., and 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
ALL-STATE NEW JERSEY, INC., ET AL.

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

Docket 7805. Complaint, Mar. 2, 1960—Decision, May 12, 1960

Consent order requiring distributors of phonograph records in the New Jersey-New York area to cease giving concealed "payola" to television and radio disc jockeys to induce playing their records in order to increase sales.

Mr. John T. Walker and Mr. James H. Kelley supporting the complaint.

Respondents, *pro se*.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on March 2, 1960, charging them with having violated the provisions of the Federal Trade Commission Act by unfairly paying money or other valuable consideration to induce the playing of phonograph records over radio and television stations in order to enhance the popularity of such records.

After issuance and service of the complaint, the above-named respondents and counsel supporting the complaint entered into an

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agreement for a consent order. The agreement disposes of the matters complained about.

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; respondents waive further procedural steps before the hearing examiner and the Commission, and the order may be altered, modified, or set aside in the manner provided by statute for other orders; respondents waive any right to challenge or contest the validity of the order entered in accordance with the agreement and the signing of 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.

The undersigned hearing examiner having considered the agreement and proposed order hereby accepts such agreement, makes the following jurisdictional findings, and issues the following order:

JURISDICTIONAL FINDINGS

1. Respondent All-State New Jersey, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New Jersey, with its principal office and place of business located at 87 Stecher Street, Newark, New Jersey.

2. Respondents Melvin Koenig, Sidney Koenig, Sherman Koenig, Irwin R. Fink, are president, treasurer, secretary and vice-president, respectively, of the corporate respondent. Said individual respondents formulate, direct and control the acts and practices of the corporate respondent. The address of the individual respondents is the same as that of said corporate respondent.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents hereinabove named and the proceeding is in the public interest.

ORDER

It is ordered. That respondents All-State New Jersey, Inc., a corporation, and its officers, and Melvin Koenig, Sidney Koenig,

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Sherman Koenig and Irwin R. Fink, individually, and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with phonograph records which have been distributed, in commerce, or which are used by radio or television stations in broadcasting programs in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Giving or offering to give, without requiring public disclosure, any sum of money or other material consideration, to any person, directly or indirectly, to induce that person to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or any of them, have a financial interest of any nature.

(2) Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, as an inducement to influence any employee of a radio or television broadcasting station, or any other person, in any manner, to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or any of them, have a financial interest of any nature.

There shall be "public disclosure" within the meaning of this order, by any employee of a radio or television broadcasting station, or any other person, who selects or participates in the selection and broadcasting of a record when he shall disclose, or cause to have disclosed, to the listening public at the time the record is played, that his selection and broadcasting of such record are in consideration for compensation of some nature, directly or indirectly, received by him or his employer.

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 12th day of May, 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

SAM GOLDMAN ET AL. TRADING AS
EXCELLED SHEEPSKIN & LEATHER COAT CO.

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION, THE WOOL PRODUCTS LABELING, AND THE FUR PRODUCTS LABELING ACTS

Docket 7473. Complaint, Apr. 13, 1959—Decision, May 13, 1960

Order requiring a New York City manufacturer of leather jackets and coats for men and boys to cease violating the Fur Products Labeling Act by improperly describing in advertising the fur collars on said jackets, and by failing to disclose, in labeling and invoicing, the true name of the fur-producing animal and the fact that the fur was dyed.

Mr. Thomas A. Ziebarth for the Commission.

Mr. Paul Kozinn, of New York, N.Y., for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges that respondents have violated the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, and in doing so have engaged in acts and practices which constitute unfair and deceptive acts and practices in commerce, in violation of the Federal Trade Commission Act.

The particular violations charged are:

A. That certain wool products were misbranded in violation of §4(a)(2) of the Wool Act and as prescribed by the Rules thereunder;

B. That certain fur products were misbranded in that they were not labeled as required by §4(2) of the Fur Act and as prescribed by the Rules thereunder;

C. That certain fur products were falsely and deceptively invoiced in that they were not invoiced as required by §5(b)(1) of the Fur Act and as prescribed by the Rules thereunder; and

D. That certain fur products were falsely and deceptively advertised in that respondents

(a) Failed to disclose the name or names of the animal or animals that produced the fur contained in the fur product as set forth in the Fur Products Name Guide, in violation of §5(a)(1) of the Fur Products Labeling Act;