

to be ordered; and respondent Bernard J. Delouche, an individual trading as Kadow's Drug Store, shall within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist.

IN THE MATTER OF
FRANK JOHN MICELI, JR., DOING BUSINESS AS
INTERNATIONAL EXPRESS SYSTEM, ETC.

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

Docket 7810. Complaint, Mar. 10, 1960—Decision, Aug. 18, 1960

Consent order requiring an individual in Somerville, Mass., to cease obtaining information from delinquent debtors through subterfuge—specifically, selling to creditors "skip tracing" forms, which carried the letterhead "International Express System", advising the delinquent debtor recipient that a prepaid package was being held for him and would be delivered if the "shipping instructions" on an enclosed tag were filled out and returned, whereupon he received as the "package" promised, an envelope containing a blank sheet of paper.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Frank Miceli, Jr., an individual trading and doing business as International Express System and Information Unlimited, hereinafter referred to as the respondent, has violated the provisions of said Act, and it appearing

to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint, stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Frank John Miceli, Jr., is an individual, trading and doing business under the names International Express System, and Information Unlimited, with his office and principal place of business located at 302 Broadway, Somerville, Mass.

PAR. 2. Respondent is now, and for more than one year last past has been, engaged in the business of selling printed mailing forms. Respondent causes said printed forms when sold to be transported from his place of business in Somerville, Mass., to purchasers thereof in various States of the United States. Respondent maintains a substantial course of trade in said printed forms in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 3. The said printed forms sold by the respondent, as alleged above, are designed and intended to be used by collection agencies, merchants and others to whom such forms are sold for the purpose of obtaining information concerning alleged delinquent debtors with the aid and assistance of the respondent as hereinafter set forth. The forms use the name "International Express System" and are supplied in sets consisting of a form letter, a shipping tag to be filled in by the recipient, a label and a return postage paid envelope.

The form letter, printed upon the letterhead of the "International Express System" states that a prepaid package is being held for the addressee who is requested to fill in the shipping instructions called for by the enclosed tag. These instructions which, if answered, provide information which is considered to be of value in the collection of accounts owed or alleged to be owed by the addressee. The purchasers of respondent's printed forms fill in where appropriate the name and last known address of the alleged debtors and mail them. Included with the forms is a form letter purporting to be from International Express System which states that a prepaid package is being held for the addressee which cannot be delivered due to error or change of address and that if the questions set out on the form are answered delivery of the package will be made. If the addressees complete the forms and mail them to respondent at Somerville, Massachusetts, in self-addressed envelopes which are sent with the forms and letters, respondent mails small envelopes bearing the legend "This is Your Package" to said persons containing a blank sheet of paper. Respondent sends the completed tags to the purchasers of the forms. Copies of printed forms or pertinent parts thereof sold by respondent and used, as aforesaid, marked Exhibits 1, 2 and 3, are as follows:

EXHIBIT 1

Form 91825GRT
MADE IN USA

**SHIPPING TAG
DO NOT
DESTROY**

Ship to
302 BROADWAY, SOMERVILLE, MASS.

From **B** 8390

All Parcels must be Claimed through Main Office in Somerville, Mass.

DO NOT DETACH **B** 8390

IMPORTANT: All questions must be answered accurately and correctly to verify identity.

Type or print all information of Consignee or package will not be delivered.

(1) PRINT CORRECT NAME PHONE NO.

(2) PRINT CORRECT ADDRESS

(3) PRINT CORRECT CITY STATE

(4) PRESENT EMPLOYER

(5) ADDRESS CITY STATE

(6) NAME AND ADDRESS OF BANK

(7) MATE'S NAME IF MARRIED OR 7A SINGLE ☐ DIVORCED ☐
SEPARATED ☐ WIDOWED ☐

(8) NAME OF ONE REFERENCE ADDRESS CITY STATE

RETURN THIS TAG IMMEDIATELY ADDRESSEE ONLY MAY COMPLETE NO GOODS DELIVERED TO UNIDENTIFIED CLAIMANTS

DETACH HERE **B** 8390

SURRENDER THIS STUB WHEN PACKAGE IS DELIVERED

CLAIM CHECK THIS CHECK IS NECESSARY TO RECEIVE DELIVERY
NO CHARGES PLEASE DON'T LOSE IT.

I ACKNOWLEDGE RECEIPT OF SHIPMENT IN GOOD ORDER
SIGN HERE WHEN PARCEL IS DELIVERED ONLY.

Signature.....

EXHIBIT 3

ADDRESSEE: RETURN THIS LABEL WITH TAG

HIGHLY PERISHABLE
DO NOT
CRUSH

**PLACE ON TOP AND
STAPLE ON CARTON**

DISPATCHER: SECURE FIRMLY TO CARTON WITH
BOTH GLUE AND STAPLES.

INTERNATIONAL EXPRESS SYSTEM #8035 RT

EXHIBIT 2

PAR. 4. Through the use of the aforesaid forms the respondent represented and placed in the hands of purchasers of the forms the means and instrumentalities whereby they represent and imply, to those to whom said forms are mailed that respondent is a bona fide express organization holding a package of merchandise for delivery and that the information called for on the shipping tag is necessary to effectuate the shipment of such merchandise.

PAR. 5. The aforesaid representations and implications were, and are, false, misleading and deceptive. In truth and in fact, (1) the respondent is not engaged in any express or forwarding business, (2) the package sent to those responding to the forms is only an envelope containing a blank sheet of paper and (3) the forms are used only for the purpose of obtaining information concerning alleged debtors by subterfuge. The practice is a scheme to mislead the addressees and to conceal the purpose for which the information is sought.

PAR. 6. The use, as hereinabove set forth, of said forms has had, and now has, the tendency and capacity to mislead persons to whom said forms are sent into the erroneous and mistaken belief that the said representations and implications are true, and to induce the recipients thereof to supply information which they otherwise would not have supplied.

PAR. 7. The aforesaid acts and practices of respondent, as herein alleged, were, and are, all to the prejudice and injury of the public and constituted, and now constitute, unfair and deceptive acts and practices, in commerce, within the intent and meaning of the Federal Trade Commission Act.

Mr. Ames W. Williams for the Commission.

Respondent *Pro se*.

INITIAL DECISION BY EDGAR A. BUTTLE, HEARING EXAMINER

On March 10, 1960, the Federal Trade Commission issued its complaint against the above-named respondent charging him with violating the provisions of the Federal Trade Commission Act in connection with the business of selling printed mailing forms designed and intended to be used by collection agencies, merchants and others to whom such forms are sold for the purpose of obtaining information concerning alleged delinquent debtors. On May 20, 1960, the respondent 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 respondent admits the jurisdictional facts alleged in the complaint and agrees, 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 respondent 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 respondent that he has 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 Frank John Miceli, Jr., is an individual, trading and doing business under the names International Express System, and Information Unlimited, with his office and principal place of business located at 302 Broadway, Somerville, Mass.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent hereinabove named. The complaint states a cause of action against said respondent under the Federal Trade Commission Act, and this proceeding is in the interest of the public.

ORDER

It is ordered, That respondent, Frank John Miceli, Jr., an individual, trading and doing business as International Express System and Information Unlimited, or trading and doing business under any other name or names, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the business of obtaining information concerning delinquent debtors, or the offering for sale, sale or distribution of forms or other materials, for use in obtaining information concerning delinquent debtors, or in the collection of, or attempting to collect

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accounts, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the name "International Express System", or any other name of similar import to designate, describe or refer to respondent's business; or representing, directly or by implication, that a package is being held for delivery by him to persons from whom information is requested, unless such is the fact, and unless a description of the contents, or the value thereof is accurately stated.

2. Using, or placing in the hands of others for use, any forms, questionnaires or other materials, printed or written, which do not clearly reveal that the purpose for which the information is requested is that of obtaining information concerning delinquent debtors.

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 18th day of August, 1960, become the decision of the Commission; and, accordingly:

It is ordered, That respondent herein shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist.

IN THE MATTER OF

CARLTON RECORD CORPORATION ET AL.