

Decision

58 F.T.C.

IN THE MATTER OF
RODNEY, INC., ET AL.

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

Docket 8046. Complaint, July 18, 1960—Decision, Apr. 27, 1961

Order dismissing complaint charging an insolvent Chicago sewing machine distributor with advertising purported "contests" to obtain leads to prospective customers, and awarding so-called "credit certificates" in connection therewith to apply on the purchase price of sewing machines.

Mr. William A. Somers for the Commission.

Mr. Seymour Tabin, of Chicago, Ill., for respondents Irwin Ratner and Joseph Wandel.

INITIAL DECISION BY HARRY R. HINKES, HEARING EXAMINER

Respondents in the above-entitled proceeding are charged in a complaint issued by the Federal Trade Commission on July 18, 1960, with violation of the Federal Trade Commission Act in connection with the promotion, sale, and distribution of sewing machines. Appearances were filed on behalf of the individual respondents, as well as answers in which the corporate respondent was alleged to be in bankruptcy.

Counsel supporting the complaint now moves that the complaint be dismissed without prejudice. He confirms that the corporate respondent had entered into involuntary bankruptcy six months prior to the issuance of the complaint, that said corporation is completely insolvent, and that another corporation has succeeded to certain of the assets of the corporate respondent but not to the right to do business as Rodney, Inc. Counsel supporting the complaint states further:

... the individual respondents, from the best information available to the movant, are insolvent, their present addresses are not ascertainable, and that one of said individual respondents is employed as a collector of accounts for some corporation and the other is selling water coolers on a commission basis for another company, and said respondents will not enter into the type of business conducted by them through the corporate respondent at any future date.

Under the circumstances, there would appear to be no public interest in a continuation of these proceedings either against the corporate respondent which has gone out of business, or against the individual respondents whose present addresses are not ascertainable and who appear to have no likelihood of re-entering this type of employment.

DUNSHAW, INC., ET AL.

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Complaint

ORDER

It is, therefore, ordered, That the complaint be, and the same hereby is, dismissed without prejudice to the right of the Commission to take any further action in the matter in the future which may be war-