

of July 1961, 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.

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IN THE MATTER OF  
PRESSING SUPPLY COMPANY ET AL.

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

*Docket 8337. Complaint, Mar. 16, 1961—Decision, July 25, 1961*

Consent order requiring Philadelphia distributors to cease falsely representing excessive amounts as the usual retail prices for ironing board covers, by such practices as imprinting fictitious prices on containers of the products before shipment to distributors, jobbers, and retail purchasers.

By a similar consent order on Jan. 3, 1962, the matter was disposed of as to the sales representative.

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 Pressing Supply Company, a corporation, and Ironfast Products Company, a corporation, and Jerome Silk and Sidney Cozen, individually and as officers of said corporations, and Sanford A. Specht and Annette

Specht, doing business as S. A. Specht Associates, hereinafter referred to as respondents, have 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 Pressing Supply Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its main office and principal place of business located at 1807 E. Huntington Street in Philadelphia, Pennsylvania.

Respondent Ironfast Products Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania with its main office and principal place of business located at 1807 E. Huntington Avenue, Philadelphia, Pennsylvania.

Individual respondents Jerome Silk and Sidney Cozen are officers of said corporations. They formulate, direct and control the acts and practices of the said corporate respondents, including the acts and practices hereinafter set forth. Their address is the same as that of the corporate respondents.

PAR. 2. S. A. Specht Associates is a copartnership consisting of Sanford A. Specht and Annette Specht. S. A. Specht Associates is the sales representative of the corporate respondents. Its address is 1140 Broadway, New York, New York.

PAR. 3. Respondents are now, and for some time last past, have been, engaged in the advertising, offering for sale, sale and distribution of ironing board covers and other merchandise to distributors, jobbers and retailers for resale to the purchasing public.

PAR. 4. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said products, when sold, to be shipped from the State of Pennsylvania to purchasers thereof located in various other states of the United States and in the District of Columbia, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 5. Respondents, before shipping said ironing board covers, imprint on the containers thereof various prices.

By means of the prices appearing on said containers, respondents represent that such are the usual and regular retail prices for said ironing board covers. Such representations are false, misleading and deceptive. In truth and in fact such amounts are fictitious and

greatly in excess of the prices at which the ironing board covers are usually and regularly sold at retail.

PAR. 6. By the practice aforesaid respondents place in the hands of retailers a means and instrumentality whereby such retailers may mislead and deceive members of the purchasing public as to the usual and regular retail prices of their ironing board covers.

PAR. 7. In the conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of ironing board covers of the same kind and general nature of those sold by respondents.

PAR. 8. The aforesaid acts and practices of respondents had, and now have, the tendency and capacity to mislead and deceive members of the purchasing public as to the usual and regular retail selling price of said ironing board covers and into the purchase of substantial quantities thereof because of such erroneous and mistaken belief. As a result thereof, substantial trade in commerce has been, and is being, unfairly diverted to the respondents from their competitors and substantial injury has been and is being done to competition in commerce.

PAR. 9. The acts and practices of the respondents, as herein alleged, are all to the prejudice and injury of the public and of their competitors and constitute unfair methods of competition and unfair acts and practices, in commerce, within the intent and meaning of the Federal Trade Commission Act.

*Mr. Frederick McManus* for the Commission.

*Newman & Master*, by *Mr. Reuben Miller*, Philadelphia, Pa., for respondents Pressing Supply Co., Ironfast Products Co., Jerome Silk and Sidney Cozen.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on March 16, 1961, charging Respondents with violation of the Federal Trade Commission Act by imprinting on the containers of their ironing board covers false, misleading and deceptive representations of the regular retail prices for said ironing board covers.

Thereafter, on April 25, 1961, Respondents Pressing Supply Company, Ironfast Products Company, Jerome Silk (who signed as Jerome R. Silk) and Sidney Cozen, their counsel, and counsel supporting the complaint herein entered into an Agreement Containing Consent Order To Cease And Desist, which was approved by the Director and Assistant Director of the Commission's Bureau

of Litigation, and thereafter, on May 18, 1961, submitted to the Hearing Examiner for consideration.

The agreement identifies Respondents Pressing Supply Company and Ironfast Products Company as Pennsylvania corporations, with their main office and principal place of business located at 1807 E. Huntington Street, Philadelphia, Pennsylvania, and Jerome Silk and Sidney Cozen as officers of said corporations, their address being the same as that of the corporate respondents. Attached to and made a part of the agreement is a document executed by counsel for the above-named Respondents, certifying that "Jerome Silk" and "Jerome R. Silk" are one and the same person.

Respondents admit all the jurisdictional facts alleged in the complaint, and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations.

Respondents waive any further procedure before the Hearing Examiner and the Commission; the making of findings of fact and conclusions of law; and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement. All parties agree that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and the agreement; that the order to cease and desist, as contained in the agreement, when it shall have become a part of the decision of the Commission, shall have the same force and effect as if entered after a full hearing, and may be altered, modified or set aside in the manner provided for other orders; that the complaint herein may be used in construing the terms of said order; and that the 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.

After consideration of the allegations of the complaint and the provisions of the agreement and the proposed order, the Hearing Examiner is of the opinion that such order constitutes a satisfactory disposition of this proceeding as to Respondents Pressing Supply Company, Ironfast Products Company, Jerome Silk and Sidney Cozen. Accordingly, in consonance with the terms of the aforesaid agreement, the Hearing Examiner accepts the Agreement Containing Consent Order To Cease And Desist entered into by the above-named Respondents; finds that the Commission has jurisdiction over those Respondents and over their acts and practices as alleged in the complaint; and finds that this proceeding is in the public interest. As provided in said agreement, this proceed-

ing as to Respondents Sanford A. Specht and Annette Specht will be otherwise disposed of. Therefore,

*It is ordered*, That Respondents Pressing Supply Company, a corporation, and Ironfast Products Company, a corporation, and their officers, and Jerome Silk and Sidney Cozen, individually and as officers of said corporations, and Respondents' agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of ironing board covers or other merchandise, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, in any 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 representation is made;
2. Putting any plan into operation whereby retailers or others may misrepresent the usual and regular retail price of 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 25th day of July 1961, become the decision of the Commission; and, accordingly:

*It is ordered*, That Respondents Pressing Supply Company and Ironfast Products Company, corporations, and Jerome Silk and Sidney Cozen, individually and as officers of said corporations, 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.