

IN THE MATTER OF
JERRY GROSS DOING BUSINESS AS TRANSPARENT
GLASS COATINGS COMPANY

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

Docket 8353. Complaint, Apr. 13, 1961—Decision, Oct. 10, 1961

Consent order requiring a Los Angeles distributor of transparent window coatings to retailers, to cease representing falsely in newspaper and other advertising and through statements of salesmen that he manufactured said product, that it had been used, endorsed, and approved by nationally known concerns, and that it had been tested by reputable testing companies.

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 Jerry Gross, an individual, trading and doing business as Transparent Glass Coatings Company, hereinafter referred to as 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 Jerry Gross is an individual trading and doing business as Transparent Glass Coatings Company, with his principal office and place of business located at 533 North La Cienega Boulevard, Los Angeles, California.

PAR. 2. Respondent is now, and for some time last past has been, engaged in the advertising, offering for sale, sale and distribution of transparent plastic window coatings to dealers for resale to the public.

PAR. 3. In the course and conduct of his business, respondent now causes, and for some time last past has caused, his said product, when sold, to be shipped from his place of business in the State of California to purchasers thereof located in various other States of the United States, and maintains, and at all times mentioned herein has maintained, a substantial course of trade in said product in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of his business, and for the purpose of inducing the sale of his product, respondent has made certain statements and representations with respect thereto, in newspapers, circulars, and by other advertising media, including oral representation made by the respondent and his salesmen. By and through the use of such statements and representations, and others of similar import, but not specifically set out herein, respondent represented, directly and by implication:

1. That he manufactured said product.
2. That said product had been used by, and had the endorsement and approval of, certain nationally known concerns.
3. That said product had been tested by the United States Testing Company, Inc., and by Albert L. Chaney Chemical Laboratory.

PAR. 5. The aforesaid statements and representations were false, misleading and deceptive. In truth and in fact:

1. Respondent does not manufacture said product.
2. Said product has not been used, endorsed or approved by certain nationally known concerns for which respondent claims to have rendered service.
3. Tests represented to have been made by the United States Testing

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Company, Inc., and Albert L. Chaney Chemical Laboratory were not test reports of respondent's product.

PAR. 6. In the conduct of his business, and at all times mentioned herein, respondent has been in substantial competition in commerce with corporations, firms and individuals engaged in the sale of a product of the same general kind and nature as that sold by respondent.

PAR. 7. The use by respondent of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were, and are, true and into the purchase of substantial quantities of respondent's product by reason of said erroneous and mistaken belief. As a consequence thereof, substantial trade in commerce has been, and is being, unfairly diverted to respondents from their competitors and substantial injury has thereby been, and is being, done to competition in commerce.

PAR. 8. The aforesaid acts and practices of respondent, as herein alleged, were, and are, all to the prejudice and injury of the public and of respondent's competitors and constituted, and now constitute, unfair and deceptive acts and practices and unfair methods of competition, in commerce, within the intent and meaning of the Federal Trade Commission Act.

DECISION AND ORDER

This matter having come on to be heard by the Commission upon a record consisting of the Commission's complaint charging the respondent named in the caption hereof with violation of the Federal Trade Commission Act and an agreement by and between respondent and counsel supporting the complaint, which agreement contains an order to cease and desist, an admission by the respondent of all the jurisdictional facts alleged in the complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that he has violated the law as alleged in the complaint, and waivers and provisions as required by the Commission's rules; and

The Commission having considered the agreement and order contained therein and being of the opinion that the agreement provides an adequate basis for appropriate disposition of the proceeding, the agreement is hereby accepted, the following jurisdictional findings are made, and the following order is entered:

1. Respondent Jerry Gross is an individual trading and doing business as Transparent Glass Coatings Company, with his office and principal place of business located at 533 North La Cienega Boulevard, in the City of Los Angeles, State of California.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent Jerry Gross, an individual, trading and doing business as Transparent Glass Coatings Company, 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 offering for sale, sale or distribution of transparent plastic glass coatings, or any other merchandise, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication:

1. That he manufactures the products sold by him when such is not the fact;
2. That any products have been used by, or had the endorsement and approval of any concern when such is not the fact; and
3. That any product has been tested by the United States Testing Company and Albert L. Chaney Chemical Laboratory, or any other organization, if such is not the case.

It is further ordered, That the 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 this order.