

(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 this order.

IN THE MATTER OF
HAROLD GREENBERG TRADING AS JOHNSTOWN
PRODUCTS

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

Docket C-17. Complaint, Nov. 6, 1961—Decision, Nov. 6, 1961

Consent order requiring an individual in Philadelphia to cease using bait advertising to obtain leads to prospective purchasers of his aluminum storm windows and doors and aluminum patio covers, and false claims that the sale price was half the usual price, that the advertised products were in stock ready for delivery, that the offer was limited to three days, that the advertised products were as pictured with ornamental grills and columns and scalloped valances, and that prices included installation.

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 Harold Greenberg, an individual trading as Johnstown Products, 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, Harold Greenberg, is an individual,

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trading as Johnstown Products, with his office and principal place of business located at 4903 Lancaster Avenue, Philadelphia, Pennsylvania.

PAR. 2. Respondent is now, and for some time past has been, engaged in the advertising, offering for sale, and distribution of various items of merchandise for installation in or on private homes, including aluminum storm windows and doors and aluminum patio covers.

PAR. 3. In the course and conduct of his business, respondent causes, and for some time past has caused, his said products to be shipped from his place of business in the State of Pennsylvania to purchasers thereof located in various states of the United States, and maintains, and at all times mentioned herein has maintained, a substantial course of trade in said products 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 aluminum products, respondent has made statements in newspapers of general circulation and through other media, typical of which, but not all inclusive, are the following:

6 TRIPLE TRACK
STORM WINDOWS
INSTALLED

[Picture of 6 storm windows with top half enclosed in glass and bottom half in screens. Underneath this is another picture of a storm door.]

● Genuine Alcoa	ANY SIZE	ALL 6 FOR
● Triple Track	GENUINE ALUMINUM	AS LOW AS
● Draft Free	WELDED STORM	\$44.50
● Top & Bottom	DOOR	\$1.25 Per week
Ventilation	\$19.50	
Warp Proof	with the purchase of	No Down Payment
● E-Z Slide Type	6 or more triple track	Completely Installed
● Opens in any	aluminum combination	
position	screen-storm windows	
Builders and	WRITE, PHONE	
Contractors	OR VISIT OUR FAC-	
Supplied	TORY SHOWROOMS	

GIMMICKS
NO FREE GIVEAWAYS
FREE STORM DOORS
BONUS OFFERS

Alcoa Aluminum PATIO COVERS
3-DAY SALE
HURRY 1 Week Delivery

[Picture of Patio illustrating patio covers]

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BIG 8x6 FEET	INSTALLED
Completely Installed	\$55.50
Choice of Color	No Down Payment
of Your Home	\$1.25 A WEEK
Increase the Value	1st Payment in July
RAILS OPTIONAL	

* * *

WITH

JOHNSTOWN PRODUCTS

[Picture of 6 storm windows]

3	6 TRIPLE TRACK WINDOWS!	3
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D	HALF-PRICE	FOR	D
A	GENUINE ALUMINUM	ONLY	A
Y	WELDED STORM	\$49.50	Y
SALE	DOOR \$18.50	ANY SIZE	SALE

*** **

INSTALLED

PAR. 5. By means of the statements in the aforesaid advertisements, and others of the same import not specifically set out herein, respondent represented, directly or by implication, that he was making a bona fide offer to sell the product advertised at the price set out in the advertisement.

PAR. 6. The aforesaid statements and representations were false, misleading and deceptive. In truth and in fact, the offers set forth in Paragraph Four above were not genuine and bona fide offers, but were made for the purpose of obtaining leads and information as to persons interested in the purchase of respondent's products. After obtaining such leads through response to such advertisements and calling upon such persons, respondent and his salesmen made no effort to sell the advertised products at the advertised prices, but, instead disparaged such products in such a manner as to discourage their purchase and attempted to, and frequently did, sell much higher priced products. Prospective customers who did not purchase certain of respondent's advertised products in many instances were persuaded to purchase more expensive items.

PAR. 7. In the manner aforesaid respondent represented:

1. Through the use of the word "half-price", or similar statements, that the usual and regular price at which said merchandise was sold by it was twice or double that at which the same was being offered:

2. That the advertised products were in stock ready for delivery to any customer who desired to purchase same;

3. That the advertised products were as pictured and included the ornamental grill on the storm door and the ornamental columns and scalloped valances on the patio covers, and that the same would be completely installed at the prices listed;

4. That the sale at the special price listed was for three days only.

PAR. 8. The statements and representations set forth in Paragraph Seven above were false, misleading and deceptive. In truth and in fact:

1. The usual and regular price of respondent's storm door is not double the price at which the same is advertised. The "half price" listed in the advertisement is actually the usual and regular price obtained by respondent if, and when, sold by him.

2. Respondent does not, and did not, stock the advertised product, and would order same only upon a confirmation of the actual sale.

3. The storm door did not include the ornamental grill, as pictured, at the price listed, nor did the patio cover include the ornamental columns and scalloped valances, as pictured in the advertisement, and an installation fee was made therefor.

4. Respondent's sale is not limited to three days, as the product can be purchased after the expiration date listed in the advertisement at the price listed therein.

PAR. 9. In the course and conduct of its business, at all times mentioned herein, respondent has been in substantial competition in commerce with corporations, firms and individuals engaged in the sale of products of the same general kind and nature as those sold by respondent.

PAR. 10. 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 such statements and representations were and are true, and into the purchase of substantial quantities of respondent's products by reason of said erroneous and mistaken belief.

PAR. 11. 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 methods of competition in commerce and unfair and deceptive acts and practices in commerce in violation of Section 5(a)(1) of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondent named in the caption hereof with violation of the Federal Trade Commission Act, and the respondent having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

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Order

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth 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 the law has been violated as set forth in the complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having considered the agreement, hereby accepts same, issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent, Harold Greenberg, is an individual, trading as Johnstown Products with his office and principal place of business located at 4903 Lancaster Avenue in the City of Philadelphia, State of Pennsylvania.

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 Harold Greenberg, an individual trading as Johnstown Products, or 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 aluminum storm windows, storm doors and patios, or any other merchandise, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or indirectly, that certain merchandise is offered for sale, when such offer is not a bona fide offer to sell the merchandise so offered;

2. The use of any sales plan procedure involving the use of false, deceptive or misleading statements or representations in advertising which are designed to obtain leads or prospects for the sale of other or different merchandise.

3. Using pictorial representations in advertising to represent that respondent's patios, storm doors or other products, contain certain features or construction which are not in fact supplied by respondent for the price advertised;

4. Representing, directly or indirectly, that any amount is respondent's usual and customary price of merchandise when it is in excess of the price at which the merchandise has been usually and customarily sold by respondent in the recent regular course of business in a trade area;

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5. Representing through the use of the words "Half Price" that the price at which respondent usually and regularly sells the advertised product is twice the amount set forth in the advertisement; or otherwise representing that any saving is afforded from respondent's usual and customary price of merchandise, unless the price at which it is offered constitutes a reduction from the price at which the merchandise has been usually and customarily sold by respondent in the recent and regular course of business in a trade area;

6. Representing, directly or by implication, that respondent has the advertised product in stock ready for delivery to any purchaser desiring to purchase same, unless such is the fact;

7. Representing, directly or indirectly, that a sale is limited to three days, or any other time, at the price listed, contrary to fact.

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 it has complied with this order.
