

Complaint

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IN THE MATTER OF

IRVING LIPPE TRADING AS MARCH PREMIUM COMPANY

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

Docket C-59. Complaint, Jan. 5, 1962—Decision, Jan. 5, 1962

Consent order requiring a New York City distributor of a variety of merchandise including transistor radios, fountain pens, and dolls, who accepted orders at a Chicago post office box, to cease supplying means of conducting games of chance by his practice of distributing to operators and members of the public push cards or punch boards along with instructions for their use in selling the aforesaid merchandise.

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 Irving Lippe, an individual, trading as March Premium 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 Irving Lippe is an individual trading as March Premium Company. Respondent has no office address but accepts orders for merchandise at Post Office Box 8528, Chicago 80, Illinois. His home address is 124 West 93rd Street, New York, N.Y.

PAR. 2. Respondent is now, and for several months last past has been, engaged in the sale and distribution, through others, of transistor radios, fountain pens, dolls, and other articles of merchandise.

PAR. 3. In the course and conduct of his said business, respondent causes, and during the past several months has caused, his said products, when sold, to be shipped from New York, New York, or Chicago, Illinois, to the 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 products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of his business, as described above, in soliciting the sale of and in selling and distributing his said merchandise, the respondent furnishes various plans of merchandising which involve the operation of games of chance, gift enterprise or

lottery schemes when said merchandise is sold and distributed to the purchasing and consuming public. Among the methods or sales plans adopted and used by respondent and which is typical of the practices engaged in by respondent is the following:

Respondent distributes, and has distributed, to operators and to members of the public certain literature including, among other things, push cards or punch boards with instructions as to their use, order blanks, circulars which feature depictions of the merchandise involved in the scheme and circulars explaining respondent's plan of selling and distributing his merchandise and of allotting it as premiums or prizes to operators of said push cards and also as prizes to members of the consuming public who purchase chances or pushes on said cards. Some of respondent's said cards bear a number of perforated discs with feminine names printed thereon and a corresponding number of ruled columns on the back of said cards for writing in the names of the purchasers of the pushes or discs corresponding to the feminine names selected. Concealed within each disc is a number which is disclosed only when the disc is separated from the card and opened. The push card also bears a large master seal within which is concealed a name which appears on one of the discs. The person selecting the name corresponding to the one contained within the master seal receives a prize such as a transistor radio or a doll, depicted on the push card. For example, one of said push cards bears the following, among other things:

Lucky Name Under Large Seal Receives This

TRANSISTOR

Radio

(Picture of Radio)

No. 1 Pays 1 c

No. 4 Pays 4 c

No. 12 Pays 12 c

No. 18 Pays 18 c

All others

Pay Only 49 c

None Higher

Nos. 40, 50 Each

Receive Ball Pen

(Panel bearing seal and discs)

Write Your Name on Reverse Side Opposite Name You Select.

Sales of respondent's merchandise by means of said push cards are made in accordance with the above described legend or instructions and said prizes or premiums are allotted to the customers or purchasers from said card in accordance with the above legend or instructions.

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Whether a purchaser receives an article of merchandise or nothing for the amount of money paid and the amount to be paid for the merchandise or the chance to receive said merchandise are thus determined wholly by lot or chance. The articles of merchandise have a value substantially greater than the price paid for the chances or pushes.

Respondent furnishes and has furnished various other push cards accompanied by order blanks, instructions and other printed matter for use in the sale and distribution of his merchandise by means of games of chance, gift enterprises or lottery schemes. The sales plans or methods involved in the sale of all of said merchandise by means of said other push cards is the same as that hereinabove described varying only in detail as to the merchandise distributed and the prizes or chances and the number of chances on each card.

PAR. 5. The persons to whom respondent furnishes and has furnished said push cards use the same in selling and distributing respondent's merchandise in accordance with the aforesaid sales plans. Respondent thus supplies to and places in the hands of others the means of conducting games of chance, gift enterprises or lottery schemes in the sale of his merchandise in accordance with the sales plan hereinabove set forth. The use by respondent of said sales plans or methods in the sale of his merchandise and the sale of said merchandise by and through the use thereof and by the aid of said sales plans or methods is a practice which is contrary to an established public policy of the Government of the United States.

PAR. 6. The sale of merchandise to the purchasing public in the manner above alleged involves a game of chance or the sale of a chance to procure one of the said articles of merchandise at a price much less than the normal retail price thereof. Many persons are attracted by said sales plans or methods used by respondent and the element of chance involved therein and thereby are induced to buy and sell respondent's merchandise.

The use by respondent of a sales plan or method involving distribution of merchandise by means of chance, lottery or gift enterprise is contrary to the public interest and constitutes unfair acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

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 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

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, Irving Lippe, is an individual trading as March Premium Company. Respondent has no office address but accepts orders for merchandise at Post Office Box 8528, Chicago 80, Illinois. His home address is 124 West 93rd Street, New York, N.Y.

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, Irving Lippe, trading as March Premium Company or under any other name or names, his representatives, agents and employees, directly or through any corporate or other device in connection with the offering for sale, sale and distribution of radios, dolls, pens or other articles of merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Supplying to or placing in the hands of others push cards or any other lottery device or devices which are designed or intended to be used in selling or distributing said merchandise to the public by means of games of chance, gift enterprises, or lottery schemes.

2. Shipping, mailing or transporting to agents or distributors, or to members of the purchasing public, push cards or any other lottery device or devices which are designed or intended to be used in the

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sale or distribution of respondent's merchandise to the public by means of games of chance, gift enterprises or lottery schemes.

3. Selling or otherwise disposing of any merchandise by means of or under a plan involving a game of chance, gift enterprise, or lottery scheme.

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.

IN THE MATTER OF

JOSEPH J. RAMIA DOING BUSINESS AS
UNITED FORWARDING SERVICE

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

Docket C-60. Complaint, Jan. 5, 1962—Decision, Jan. 5, 1962

Consent order requiring an individual in Concord, Calif., engaged in selling a printed mailing form for use by collection agencies and merchants in tracing delinquent debtors, to cease representing falsely, through use of his trade name, the statement "We are holding a package consigned to you," and the general format, that a package of value was being held for the addressee and would be forwarded upon return of the filled-in form.

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 Joseph J. Ramia, an individual, trading and doing business as United Forwarding Service, 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, Joseph J. Ramia, is an individual trading and doing business under the name of United Forwarding Service with his office and principal place of business located at 2175 Pacheco Street, Concord, Calif.

PAR. 2. Respondent is now, and for some time last past has been, engaged in the business of selling a printed mailing form under his trade name. Respondent causes said printed material when sold, to be

transported from his place of business in the State of California to purchasers thereof at their respective points of location in various other states of the United States. Respondent maintains, and at all times hereinafter mentioned has maintained, a course of trade in his said form in commerce as "commerce" is defined in the Federal Trade Commission Act.

PAR. 3. The said printed form sold by the respondent, as heretofore alleged, is designed and intended to be used, and has been used, by collection agencies, merchants and others to whom it is sold for the purpose of obtaining information concerning alleged delinquent debtors with the aid and assistance of respondent as hereinafter set forth.

The said printed material consists of a double post card perforated so as to permit the two parts to be easily separated. The detachable portion of the card gives the address, "United Forwarding Service, 600—16th Street, Oakland, California", which was the former address of the respondent. The part of the card retained by the addressee has affixed thereto a three-cent stamp and the portion to be detached and returned to the respondent bears a notice that the postage will be paid by the addressee. Said form sets out questions which, if answered, will provide information which is considered to be of value in the collection of accounts owed or alleged to be owed by the addressee. The purchaser of respondent's printed material, above referred to, fills in the name and address of the alleged debtors and/or the name and address of a known relative of the debtor and sends the forms in bulk to respondent. Respondent then mails the form individually from his aforesaid place of business. If the addressee completes the form and returns it, an envelope containing a marble and a leaflet, or flyer, advertising a "personality course", which respondent does not have to offer, is sent to the person filling in the form. Respondent then forwards the completed form to the purchaser.

PAR. 4. The following is typical of the printed form sold by respondent and used in the aforesaid manner:

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UNITED FORWARDING SERVICE 600—16th Street Oakland, California		3¢ STAMP
Date _____ 19____		
Our Ref. No. 000100		
Article PACKAGE (Stamped)		
This Side of Card for Address		
We are holding a package consigned to you. We will forward package only upon completion of attached form.	Express Chgs.	JOHN DOE ADDRESS CITY, STATE
	Add. Del. Chg.	
	C.O.D.	
	C.O.D. Serv. Chg.	
	Total to Pay	
Reason Held IMPROPER INFORMATION (Stamped) SEE OTHER SIDE ALL CHARGES PREPAID (Stamped in box)		

UNITED FORWARDING SERVICE

 600—16th Street
 Oakland, California

We have shipment described on reverse side which is being held at address shown below and would appreciate it if you will assist us in forwarding package to you.

In order to avoid crowded condition in our facility and so that we will not be obliged to assess storage charges will you please arrange to have your package delivered to you by filling in the attached form properly and completely. It is understood that the information on the business reply card can be used in any manner by United Forwarding Service. Such information is necessary to locate, expedite package delivery, to correct current improper information, etc.

Any information you may desire will be gladly given if you will communicate with our office.

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Postage
Will Be Paid
by
Addressee

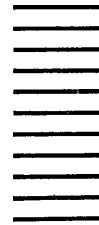
No
Postage Stamp
Necessary
If Mailed in the
United States

BUSINESS REPLY MAIL
First Class Permit No. 5111 Oakland, Calif.

UNITED FORWARDING SERVICE

600—16th Street

Oakland, California



SEND NO MONEY—PACKAGE PREPAID

Package No.
000100

We are holding a package consigned to you; it is necessary for you to fill out the following information in order to assist us in forwarding this package to you. PLEASE PRINT—Information must be complete in order to properly receive package.

Name JOHN DOE

Address

In the Event We Cannot Contact You—

Employer

Address

Wife's Employer

Address

Bank Reference

Branch

UNITED FORWARDING SERVICE

PAR. 5. By the use of the name "United Forwarding Service," the printing on the cards of the words "We are holding a package consigned to you," and by other words on said card and the general format thereof, respondent represents, directly or by implication, to those to whom the form is mailed that the respondent is in some capacity, connected with the movement and transportation of goods and their delivery to the proper consignees, and that a package of value is being held which will be forwarded upon filling in said form.

PAR. 6. The aforesaid and implications were, and are, false, misleading and deceptive. In truth and in fact, respondent's business has, so far as the recipients of said cards are concerned, nothing to do with the movement or transportation of goods, or their delivery to the proper consignees. The persons from whom the said cards are intended to obtain information are not consignees of packages sent by others and in the hands of respondent for delivery. The packages to which the cards refer are those made up by respondent containing the marble and the circular referred to in paragraph 3 hereof. The sole business of respondent, conducted as aforesaid, is to sell the printed form to others to be used by them for the purpose of obtaining information concerning alleged delinquent debtors by subterfuge. This practice constitutes a scheme to mislead and conceal the purpose for which the information is sought.

PAR. 7. The use, as hereinbefore set forth, of said form has had, and now has, the tendency and capacity to mislead and deceive persons to whom said form is sent into the erroneous and mistaken belief that the said representations and implications are true and induce the recipients thereof to supply information which they otherwise would not have supplied.

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 constituted, and now constitute, 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

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, Joseph J. Ramia, is an individual, trading and doing business as United Forwarding Service, with his office and principal place of business located at 2175 Pacheco Street, Concord, Calif.

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 the respondent, Joseph J. Ramia, an individual, trading and doing business as United Forwarding Service, 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 material, for use in obtaining information concerning delinquent debtors, or in the collection of, or attempting to collect, delinquent accounts in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using, or placing in the hands of others for use, any form, questionnaire or other material, printed or written, which does not clearly reveal that the purpose for which the information is requested is that of obtaining information concerning delinquent debtors, or in the collection of, or attempting to collect, delinquent accounts.

2. Representing, or placing in the hands of others, any means by which they may represent, directly or by implication, that a package, or other thing of value, is being held for the persons from whom information is sought, unless respondent then has in his possession such package, or other thing of value, intended for such person and then

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only when the contents of the package, or other thing of value, is clearly and expressly disclosed and described.

3. Using the name United Forwarding Service or any other name of similar import to designate, describe or refer to respondent's business.

It is further ordered, That the respondent herein, Joseph J. Ramia, an individual trading and doing business as United Forwarding Service, 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 OFJOSEPH KUSIN ET AL. TRADING AS
DIXIE BEDDING & FURNITURE CO.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE TEXTILE FIBER PRODUCTS
IDENTIFICATION ACTS

Docket C-61. Complaint, Jan. 5, 1962—Decision, Jan. 5, 1962

Consent order requiring a Monroe, La., co-partnership to cease violating the Textile Fiber Products Identification Act by labeling and advertising as "70% virgin wool and 30% nylon", floor coverings which contained substantially less nylon than thus represented; failing to indicate on labels and in advertising that the fiber content information did not apply to the exempted backings, fillings, or paddings; using the name of the fur-bearing animal nutria deceptively in advertising in that the products concerned did not contain hair of the nutria; removing the required labels or other identification from textile products prior to delivery to the consumer; and using fictitious prices preceded by the term "Orig." in advertising carpeting.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Joseph Kusin, Louis M. Kusin and Mrs. Irving Bloom, individually and as co-partners trading as Dixie Bedding & Furniture Co., hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Textile Fiber Products Identification 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. Respondents Joseph Kusin, Louis M. Kusin and Mrs. Irving Bloom are individuals and co-partners trading as Dixie Bedding & Furniture Co. The partnership has its office and principal place of business at 811 Washington Street, Monroe, La.

PAR. 2. Subsequent to the effective date of the Textile Fiber Products Identification Act on March 3, 1960, respondents have been and are now engaged in the introduction, delivery for introduction, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and the importation into the United States, of textile fiber products; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which have been advertised or offered for sale in commerce; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products, whether in their original state or contained in other textile fiber products; as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 3. Certain of said textile fiber products were misbranded by respondents within the intent and meaning of Section 4(a) of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, invoiced, advertised or otherwise identified as to the name or amount of constituent fibers contained therein.

Among such misbranded textile fiber products, but not limited thereto, were floor coverings which were falsely and deceptively advertised in the Monroe Morning World, a newspaper published in the city of Monroe, State of Louisiana, and having a wide circulation in said State and various other states of the United States, in the following respects:

1. Certain of said floor coverings were advertised as containing "70% virgin wool and 30% nylon", whereas in truth and in fact such floor coverings contained substantially less nylon than represented.

2. Respondents in disclosing the fiber content information as to floor coverings containing exempted backings, fillings, or paddings, failed to set forth such fiber content information in such a manner as to indicate that it applied only to the face, pile, or outer surface of the floor coverings and not to the exempted backings, fillings or paddings.

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PAR. 4. Certain of said textile fiber products were further misbranded by respondents in that there was not on or affixed to the said textile fiber products any stamp, tag, label or other means of identification showing the required information in violation of Section 4(b) of the Textile Fiber Products Identification Act.

PAR. 5. Certain of said textile fiber products were falsely and deceptively advertised in that respondent in making disclosures or implications as to the fiber content of such textile fiber products in written advertisements used to aid, promote, and assist directly or indirectly in the sale or offering for sale of said products, failed to set forth the required information as to fiber content as specified by Section 4(c) of the Textile Fiber Products Identification Act and in the manner and form prescribed by the Rules and Regulations promulgated under said Act.

Among such textile fiber products, but not limited thereto, were floor coverings which were falsely and deceptively advertised in the *Monroe Morning World*, a newspaper published in the city of Monroe, State of Louisiana, and having a wide circulation in said State and various other states of the United States, in the following respects:

(1) Certain of said floor coverings were advertised as containing "70% Virgin Wool and 30% Nylon", whereas in truth and in fact such floor coverings contained substantially less nylon than represented.

(2) Respondents in disclosing the fiber content information as to floor coverings containing exempted backings, fillings or paddings failed to set forth such fiber content information in such a manner as to indicate that it related only to the face, pile or outer surface of such floor coverings and not to the exempted backings, fillings or paddings.

PAR. 6. Certain of said textile fiber products were falsely and deceptively advertised in that the name of a fur-bearing animal, namely nutria, was used in the advertisement of such products when said products or parts thereof in connection with which the name of the fur-bearing animal was used, were not furs or fur products within the meaning of the Fur Products Labeling Act, and did not contain the hair or fiber of the nutria in violation of Section 4(g) of the Textile Fiber Products Identification Act and Rule 9 of the Rules and Regulations promulgated thereunder.

PAR. 7. In disclosing the required fiber content information in advertising certain textile fiber products, namely floor coverings, containing exempted backings, fillings, or paddings, respondents failed to set forth that such disclosure related only to the face, pile, or outer surface of the floor covering and not to be exempted backing,

filling, or padding in violation of Rule 11 of the Rules and Regulations promulgated under the Textile Fiber Products Identification Act.

PAR. 8. After shipment of textile fiber products in commerce and prior to the time such textile fiber products were sold and delivered to the ultimate consumer, respondents removed or caused or participated in the removal of the stamps, tags, labels, or other means of identification required by the Textile Fiber Products Identification Act to be affixed to such textile fiber products, in violation of Section 5(a) of said Act and the Rules and Regulations promulgated thereunder.

PAR. 9. The acts and practices of respondents, as set forth above were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute unfair methods of competition and unfair and deceptive acts or practices, in commerce, under the Federal Trade Commission Act.

PAR. 10. In the course and conduct of their business respondents have been and are engaged in disseminating and in causing to be disseminated in newspapers of interstate circulation, advertisements intended to induce sales of its merchandise.

PAR. 11. Among and typical, but not all inclusive of the statements appearing in the advertisements described in paragraph 10 are the following:

Prices Slashed on Fine BROADLOOM CARPETING! Wool and nylon broadlooms. A blend of 70% virgin wool for stability of colors and 30% nylon for added wear. Rose beige, martini and Roman beige in 12-foot widths. For living area, bedroom, dining room. Orig. 9.95 sq. yd.

Sq. Yd. \$4.99

perfect quality 12' broadloom all wool Wiltons, textured uncut twist, twist frieze, cut & uncut Wilton. Short rolls. Orig. 7.95 to 10.95 sq. yd.

Sq. Yd. \$5.99

100% wool Wilton Truly the luxurious carpet you have always wanted at a budget price: Rose beige, nutria, sandalwood. 12-foot width. Orig. to 14.95 sq. yd.

Sq. Yd. \$6.99

PAR. 12. Through the use of the amounts in connection with the term "Orig." the respondents represented that said amounts were the prices at which the merchandise referred to was usually and customarily sold by respondents in the recent and regular course of business, and through the use of said amounts and the lesser amounts that the differences between said amounts represented a saving to the purchaser from the price at which said merchandise was usually

and customarily sold by respondents in the recent and regular course of business.

PAR. 13. The aforesaid representations were false, misleading and deceptive.

In truth and in fact, the amounts set out in connection with the term "Orig." were in excess of the prices at which the articles of merchandise referred to were usually and customarily sold at retail, by respondents' in the recent and regular course of business and the difference between such amounts and the lesser amounts did not represent savings from the prices at which the merchandise had been usually and customarily sold by respondents in the recent and regular course of business.

PAR. 14. The acts and practices of the respondents set out in paragraphs 10 through 13, 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.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act and the Textile Fiber Products Identification Act, and the respondents 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

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents 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 respondents 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. Respondents Joseph Kusin, Louis M. Kusin and Mrs. Irving Bloom are individuals and co-partners trading as Dixie Bedding & Furniture Co. The co-partnership has its office and principal place of business at 811 Washington Street, Monroe, La.

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

ORDER

It is ordered, That respondents Joseph Kusin, Louis M. Kusin and Mrs. Irving Bloom, individually and as co-partners trading as Dixie Bedding & Furniture Co., and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising or offering for sale, in commerce, or the transportation or causing to be transported, in commerce, or the importation into the United States of textile fiber products; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of textile fiber products which have been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of textile fiber products, whether in their original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from:

A. Misbranding textile fiber products by falsely or deceptively stamping, tagging, labeling, invoicing, advertising or otherwise identifying such products:

1. As to the name or amount of constituent fibers contained therein.
2. By failing to set forth that the required disclosure as to the fiber content of floor coverings relates only to the face, pile, or outer surface of such products and not to exempted backing, filling, or padding when such is the case.

B. Misbranding textile fiber products by failing to affix labels to such textile fiber products showing each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.

C. Falsely and deceptively advertising textile fiber products by:

1. Making any representations by disclosure or by implication of the fiber contents of any textile fiber product in any written advertisement which is used to aid, promote, or assist directly or indirectly in the sale or offering for sale of such textile fiber product unless the same information required to be shown on the stamp, tag, label or other means of identification under Sections 4(b)(1) and (2) of the Textile Fiber Products Identification Act is contained in the said advertisement, except that the percentages of the fibers present in the textile fiber product need not be stated.

2. Failing to set forth that the disclosure of the fiber content of floor coverings relates only to the face, pile or outer surface and not to the exempted backing, filling or padding of such products where such is the case.

3. Using any names, words, depictions, descriptive matter or other symbols, which connote or signify a fur bearing animal, unless such products or parts thereof in connection with which the names, words, depictions, descriptive matter or other symbols are used, are furs or fur products within the meaning of the Fur Products Labeling Act, provided, however, that where a textile fiber product contains the hair or fiber of a fur-bearing animal, the name of such animal, in conjunction with the word "fiber", "hair", or "blend", may be used.

D. Failing to set forth that the disclosure of the required fiber content information as to floor coverings containing exempted backings, fillings, or paddings, relates only to the face, pile or outer surface of such textile fiber products and not to the exempted backings, fillings or paddings.

E. Removing, causing or participating in the removal or mutilation of any stamp, tag, label, or other identification required to be affixed to textile fiber products, after shipment of such textile fiber products in commerce and prior to the time such textile fiber products are sold and delivered to the ultimate consumer, except as permitted by the Textile Fiber Products Identification Act.

It is further ordered, That respondents Joseph Kusin, Louis M. Kusin and Mrs. Irving Bloom, individually and as copartners, trading as Dixie Bedding & Furniture Co., and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of their floor coverings or other products 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 respondents have usually and customarily sold such products in the recent regular course of business.

2. Misrepresenting in any manner, the savings available to purchasers of respondents' products.

It is further ordered, That the 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 this order.

Complaint

IN THE MATTER OF

THE RUBBER MANUFACTURERS ASSOCIATION, INC.,
ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket 7505. Complaint, June 2, 1959—Decision, Jan. 6, 1962*

Consent order requiring two trade associations and 15 manufacturers, accounting for substantially all the domestic production of rubber tires and tubes and with annual sales approximating two billion dollars, to cease engaging in a price-fixing conspiracy in the course of which they agreed upon and maintained a single zone delivered price system for tires and tubes—with the "Big Four" quoting identical prices to all customers of a class throughout the United States, and the others quoting prices lower by agreed-upon differentials—and engaged in other contributing illegal practices as in the order below indicated.

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 the party respondents named in the caption hereof, and hereinafter more particularly designated and described, have violated and are now violating Section 5 of the Federal Trade Commission Act (U.S.C., Title 15, Sec. 45), and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, the Commission hereby issues its complaint, stating its charges as follows:

PARAGRAPH 1. Respondent The Rubber Manufacturers Association, Inc., hereinafter referred to as respondent RMA, is an incorporated trade association organized and existing under and by virtue of the laws of the State of Connecticut, with its principal office located at 444 Madison Avenue, New York, N.Y. Said trade association was originally organized in 1900. After undergoing changes in name and organizational structure, it was incorporated under the laws of the State of Connecticut in 1915, under the name "The Rubber Club of America", which name was changed to "The Rubber Association of America, Inc." in 1917, and to its present corporate title in 1929.

Respondent The Tire and Rim Association, Inc., hereinafter referred to as respondent TRA, is an incorporated trade association organized and existing under and by virtue of the laws of the State of Ohio, with its principal office located at 2001 First National Tower, Akron, Ohio. Said trade association was originally organized in 1903