

and the same hereby is, dismissed.

It is further ordered, That the respondent Simplified Tax Records, Inc., shall, within sixty (60) days after service upon it 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.

IN THE MATTER OF

DORMEYER CORPORATION ET AL.

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

Docket 8457. Complaint, Jan. 5, 1962—Decision, May 8, 1962

Consent order requiring a Chicago manufacturer of household electrical appliances and its advertising agency to cease representing falsely, in trade journals of national circulation, that Dormeyer products had been featured as gifts or shown on each of 12 "give-away" shows named, and that arrangements had been made to continue such featuring and for respondent manufacturer to sponsor the shows.

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 Dormeyer Corporation, a corporation, and North Advertising Incorporated, a corporation, hereinafter referred to as respondents, have violated the provisions of the 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 Dormeyer Corporation is a corporation organized, existing and doing business under and by virtue of the

laws of the State of Illinois, with its principal office and place of business located at 700 North Kingsbury Avenue, Chicago 10, Ill.

Respondent North Advertising Incorporated is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its principal office and place of business located at Merchandise Mart, Chicago 54, Ill.

PAR. 2. Respondent Dormeyer Corporation is now, and for some time last past has been engaged in the manufacture, advertising, offering for sale, sale and distribution of household electrical appliances to distributors, and to retailers for resale to the public.

Respondent North Advertising Incorporated is an advertising agency and is now and for some time past has been the advertising representative of respondent Dormeyer Corporation. As such it prepares and places, and for some time last past has prepared and placed advertising material used by Dormeyer Corporation, including that herinafter referred to, to promote the sale of Dormeyer Corporation's home electrical appliances.

PAR. 3. In the course and conduct of its business, respondent Dormeyer Corporation now causes, and for some time last past has caused, its said home electrical appliances when sold, to be shipped from its factory or plant in the State of Illinois to purchasers thereof located in various other states of the United States and in the District of Columbia, 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 conduct of its business at all times mentioned herein, respondent Dormeyer Corporation has been in substantial competition, in commerce, with corporations, firms and individuals in the sale of household electrical appliances.

In the conduct of its business at all times mentioned herein, respondent North Advertising Incorporated has been in substantial competition in commerce, with other corporations, firms and individuals in the advertising business.

The respondents have acted in cooperation and conjunction with each other in the performance of the acts and practices herein set forth.

PAR. 5. In the course and conduct of its business and for the purpose of inducing the purchase of its household electrical appliances in commerce, respondent Dormeyer Corporation has advertised said products

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in trade magazines of national circulation. Among and typical of such advertisements is the following:

DORMEYER'S BIG TV PUSH

(Pictures and names of the masters of ceremonies of twelve daytime TV network "give-away" shows, including the names of the shows and the network over which each is broadcast.)

As seen on all 12 Daytime Quiz Shows—on NBC-TV, CBS-TV, ABC-TV.

SELLS DORMEYER'S HOT NEW LINE

(Pictures of twelve individual electrical appliances with the name and an identification number of each.

More than 350 million TV impressions during the 7-biggest selling weeks before Christmas! Stock up now! Call your Dormeyer distributor today!

PAR. 6. By means of the aforesaid advertisements and the statements and representations contained therein, respondents have represented, directly or by implication, that:

(1) Dormeyer Corporation's products have been featured as gifts or shown on each of the said twelve "give-away" shows named in the advertisement.

(2) Arrangements have been made whereby Dormeyer Corporation's products will be featured as gifts or shown on each of the said twelve "give-away" shows, or whereby Dormeyer Corporation will sponsor said shows.

PAR. 7. The aforesaid advertisements, and the statements and representations contained therein, were, and are, false, misleading and deceptive. In truth and in fact,

(1) Dormeyer Corporation's products have not been featured as gifts or shown on each of the said twelve "give-away" shows named in the advertisement.

(2) Arrangements have not been made whereby Dormeyer Corporation's products will be featured as gifts or be shown on each of the said twelve "give-away" shows, nor have arrangements been made whereby Dormeyer Corporation will sponsor said shows.

PAR. 8. The use by respondents of the aforesaid false, misleading and deceptive representations has had, and now has, the capacity and tendency to mislead distributors and retailers of household electrical appliances into the erroneous and mistaken belief that the said representations were, and are, true and into the purchase of substantial quantities of respondent Dormeyer Corporation's products by reason of said erroneous and mistaken beliefs.

PAR. 9. The aforesaid acts and practices of respondents, as herein alleged, were and are all to the prejudice and injury of the public and of respondents' 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

This matter having come on to be heard by the Commission upon a record consisting of the Commission's complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act and an agreement by and between respondents and counsel supporting the complaint, which agreement contains an order to cease and desist, an admission by the respondents 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 respondents that they have 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 Dormeyer Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its office and principal place of business located at 700 North Kingsbury Avenue, Chicago 10, Ill.

Respondent North Advertising Incorporated is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its office and principal place of business located at Merchandise Mart, Chicago, Ill.

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 respondent Dormeyer Corporation, a corporation, its successors and assigns, and respondent North Advertising Incorporated, a corporation, and their officers, agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of household electrical appliances, or any other product, in commerce, as "commerce" is defined in the Federal Trade Commission Act, forthwith cease and desist from:

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1. Representing that such household electrical appliances or any other products have been exhibited, featured, or advertised to any extent, or in any manner, which is contrary to the fact.

2. Representing that any such electrical household appliances or any other products will be advertised or promoted to any extent or in any specified manner and then failing to advertise or promote such products to the extent or in the manner represented.

3. Falsely representing that contracts have been entered into or arrangements or commitments made for the sponsorship of any radio or television show or program, or whereby any such electrical household appliances or any other products will be exhibited, featured or advertised on any radio or television show or program or in any other specified manner.

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.