

Commission their plans for compliance with this order, including the date within which compliance can be effected.

It is further ordered, That the hearing examiner's initial decision as modified and supplemented by the accompanying opinion and this order be, and it hereby is, adopted as the decision of the Commission.

By the Commission, Commissioners MacIntyre and Higginbotham not participating. Commissioner Elman, having dissented from the Commission's decision, does not concur in this order.

IN THE MATTER OF
WEISFIELD'S, INC.

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

Docket C-313. Complaint, Feb. 13, 1963—Decision, Feb. 13, 1963

Consent order requiring sellers in Seattle, Wash., to cease representing falsely—in newspaper advertising and otherwise—that excessive "REG." amounts were the usual prices at which they sold watches, electric shavers, phonographs, etc., and that purchasers at such prices would "save ½ and more".

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 Weisfield's, Inc., a corporation, 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 Weisfield's, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its principal office and place of business located at 800 South Michigan Street, in the city of Seattle, State of Washington.

PAR. 2. Respondent is now, and for some time last past has been, engaged in the advertising, offering for sale and sale of watches, electric shavers, phonographs, and other articles of merchandise at retail to the public.

PAR. 3. In the course and conduct of its business, respondent now causes, and for some time last past has caused, its said merchandise to be shipped from its principal place of business in the State of Washing-

ton to its several stores in various other States of the United States, for sale to the purchasing public. In such instances shipments are made to respondent's stores in States other than that in which such shipments have originated, and respondent maintains, and at all times mentioned herein has maintained, a substantial course of trade in said merchandise, in commerce, as "commerce" is defined in the Federal Trade Commission Act. In addition to the aforesaid articles of merchandise, respondent also causes advertisements and other promotional material to be transported and shipped from its aforesaid place of business in the State of Washington to the various other States in which its several stores are located.

PAR. 4. In the course and conduct of its business as aforesaid, and for the purpose of inducing the purchase of its said articles of merchandise, respondent has made numerous statements and representations in advertisements inserted in newspapers with respect to the retail prices of its said merchandise and the savings resulting to purchasers.

Typical and illustrative of the aforesaid statements, but not all inclusive thereof, are the following:

REMINGTON ROLL-A-MATIC ELECTRIC SHAVER
REG. 29.95 16.88

REMINGTON ROLL-A-MATIC ELECTRIC SHAVER
REG. 26.95 16.88

REMINGTON ROLL-A-MATIC ELECTRIC SHAVER
... Lady's Shaver ... REG. 18.50 12.88
.. Men's Shaver! ... REG. 26.95 17.88

RONSON ELECTRIC SHAVER
... REG. 29.95 19.88

1066 SCHICK 3 SPEED RAZOR
REG. 31.50 SPECIAL ONLY 19.88

DELUXE ARVIN
4-SPEED PORTABLE ...
REG. 49.95

WEISFIELD'S SPECIAL LOW PRICE 29.88

MODEL 81P15
NEW ARVIN 4 SPEED PORTABLE PHONOGRAPH
REG. 24.95 19.95

MODEL 81P15
NEW ARVIN 4 SPEED PORTABLE PHONOGRAPH
REG. 24.95 17.95

SAVE ½ AND MORE ON ONE OF TOP 5
NATIONALLY ADVERTISED WRIST WATCHES
.... REG. 49.50 18.88

NOW! SAVE ½ AND MORE ON ONE OF 5
TOP NATIONALLY ADVERTISED WATCHES
REG. 65.00 SPECIAL 32.50

GENT'S CROTON WRIST WATCH
... REGULAR \$99.50 \$49.75

PAR. 5. By and through the use of the above-quoted statements, and others of similar import not specifically set out herein, the respondent represented that the higher stated prices set out in said advertisements in connection with the term "REG." were the prices at which the advertised merchandise had been usually and customarily sold by respondent at retail in the recent, regular course of business and that the differences between the higher and lower prices represented savings to purchasers from respondent's usual and customary retail prices.

PAR. 6. In truth and in fact, the higher prices set out in said advertisements in connection with the term "REG." were in excess of the prices at which the advertised merchandise had been usually and customarily sold by respondent in the recent, regular course of business and the differences between the higher and lower prices did not represent savings to purchasers from respondent's usual and customary retail prices.

Therefore, the statements and representations as set forth in Paragraphs 4 and 5 hereof were and are false, misleading and deceptive.

PAR. 7. In the conduct of its business, at all times mentioned herein, respondent has been in substantial competition, in commerce, with corporations, firms and individuals in the sale of merchandise of the same general kind and nature as that sold by respondent.

PAR. 8. 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 merchandise by reason of said erroneous and mistaken belief.

PAR. 9. 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 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 vio-

lation 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 respondent of all the jurisdictional facts set forth in the complaint to issue herein, 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 such 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 Weisfield's, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 800 South Michigan Street, in the city of Seattle, State of Washington.
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 Weisfield's, Inc., a corporation, and its officers, and respondent's agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of watches, electric shavers, phonographs, or any articles of merchandise, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "REG.", regular price, or words of similar import, to describe or refer to the retail price of merchandise when such amount is in excess of the price or prices at which the merchandise has been usually and customarily sold by respondent at retail in the recent, regular course of its business.
2. Representing, directly or by implication, that:
 - (a) Any amount is respondent's usual and customary retail price of merchandise when it is in excess of the price or prices at which such merchandise is usually and customarily sold by respondent at retail in the recent, regular course of its business.

655

Complaint

(b) Any saving from respondent's usual and customary retail price is afforded to the purchasers of respondent's merchandise unless the price at which it is offered constitutes a reduction from the price or prices at which said merchandise has been usually and customarily sold by respondent in the recent, regular course of its business.

3. Misrepresenting, by means of comparative prices, or in any other manner, the savings available to purchasers of respondent's merchandise.

It is further ordered, That the respondent herein 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