
IN THE MATTER OF
FRANK C. CANADA TRADING AS
C & M AUTOMATIC TRANSMISSION SERVICE

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

Docket C-1448. Complaint, Nov. 7, 1968—Decision, Nov. 7, 1968

Consent order requiring a Bladensburg, Md., auto transmission repair shop operator to cease neglecting to disclose the possibility of extra costs in transmission overhauls, making deceptive guarantees, and misrepresenting the terms under which repair services are financed.

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 Frank C. Canada, an individual trading and doing business as C & M Automatic Transmission 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:

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Complaint

PARAGRAPH 1. Respondent, Frank C. Canada, is an individual, trading and doing business as C & M Automatic Transmission Service, with his office and principal place of business at 4808 Annapolis Road, Bladensburg, Maryland.

PAR. 2. Respondent is now, and for some time last past has been, engaged in the advertising, repairing, overhauling, rebuilding, offering for sale, sale and distribution of automobile transmissions 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 products and services, to be sold to purchasers thereof located in various other States of the United States and in the District of Columbia, and respondent has caused advertisements for the aforesaid products and services to be published in newspapers of interstate circulation, 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 aforesaid business, and for the purpose of inducing the purchase of his said automobile transmissions and transmission repair services, respondent has made, and is now making, numerous statements and representations in advertisements inserted in newspapers with respect to his products and services, of which the following is typical and illustrative, but not all inclusive thereof:

C & M AUTOMATIC TRANSMISSION

The Only Transmission Shop In P.O. County Indorsed By NAMCO

NAMCO APPROVED

Free Estimate—All Work Guaranteed In Writing
"Put your transmission in good hands"

Overhaul \$65—Includes Oil & Labor Consists of

Bands Rings Clutches Seals Gaskets (as required)

No Money Down—One Day Service—All Major Credit Cards Accepted

C & M 4808 Annapolis Rd. Bladensburg, Md.

(Next to D.C. Line)

CALL 779-4470

Open 7 a.m.—7 p.m.

PAR. 5. By and through the use of the above reproduced statements and representations, and others of similar import and meaning but not expressly set out herein, the respondent has represented, and is now representing, directly or by implication, that:

1. Respondent is making a bona fide offer to overhaul automobile transmissions for \$65.
2. Respondent unconditionally guarantees all of his transmission repair services.
3. No down payment is required by respondent if the repair work is financed.

PAR. 6. In truth and in fact:

1. Respondent is not making a bona fide offer to overhaul automobile transmissions for \$65. In most instances in the overhaul of automobile transmissions certain "hard" parts and repairs are necessary for which respondent charges an additional amount, and consequently the cost is considerably higher than \$65.
2. Respondent does not provide an unconditional guarantee on all of his transmission repair services. Respondent's guarantee for transmission repair services is in most instances limited to 90 days or 4000 miles.
3. Respondent does require a down payment in a substantial number of instances when the repair work is financed.

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

PAR. 7. In the course and conduct of his aforesaid business, and at all times mentioned herein, respondent has been, and now is, in substantial competition, in commerce, with corporations, firms and individuals in the sale of automotive parts and services of the same general kind and nature as those 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 products and services 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 Federal Trade Commission having initiated an investiga-

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Decision and Order

tion of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Bureau of Deceptive Practices proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; 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 aforesaid draft of 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 alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in the respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Frank C. Canada is an individual trading and doing business as C & M Automatic Transmission Service, with his principal place of business at 4808 Annapolis Road, Bladensburg, Maryland.

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 Frank C. Canada, an individual, trading and doing business as C & M Automatic Transmission Service or under any name or names, and respondent's agents, representatives and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of any transmission, motor or other automotive component, or any other product or any service in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Advertising the price of particular services such as an

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overhaul, unless in conjunction therewith disclosure is made, in a prominent place and in a type size that is easily legible, that there are many possible defects in an automobile transmission, other automotive component, or other product, for which the advertised service is ineffective and which require additional parts and labor to repair and that such repairs will cost substantially more than the advertised price.

2. Representing, directly or by implication, that any merchandise or service is offered for sale when such offer is not a bona fide offer to sell said merchandise or service.

3. Using the term "overhaul," or any term or words of similar import, to refer to any transmission service which does not include the removal, disassembly and replacement of all worn parts, hard or soft, and the reassembly and reinstallation of the transmission in the vehicle, unless in conjunction with the use of the term "overhaul," in a prominent place and in type that is easily legible, disclosure is made of:

(a) the parts that will be replaced in connection with the "overhaul" and are included in the overhaul price, as well as their price if purchased separately, and

(b) the parts that will not be replaced as part of the overhaul and their price, and/or

(c) the fact that in many cases substantial additional costs will be incurred if parts other than those regularly included in the overhaul must be replaced in order to repair the transmission.

4. Representing, directly or by implication, that any article of merchandise or service is guaranteed, unless all of the terms and conditions of the guarantee, the identity of the guarantor, and the manner in which the guarantor will in good faith perform thereunder are clearly and conspicuously disclosed.

5. Using the term "NO MONEY DOWN," or any term or words of similar import, in connection with respondent's offer to sell any merchandise or services or misrepresenting, in any manner, the terms upon which respondent finances his merchandise or services.

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

BRODLIE & BUCKBERG, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION
OF THE FEDERAL TRADE COMMISSION AND THE
FUR PRODUCTS LABELING ACTS*Docket C-1449. Complaint, Nov. 7, 1968—Decision, Nov. 7, 1968*

Consent order requiring a New York City manufacturing furrier to cease misbranding, falsely invoicing and guaranteeing its fur products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Brodlie & Buckberg, Inc., a corporation, and Ben Brodlie and Louis Buckberg, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling 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 Brodlie & Buckberg, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondents Ben Brodlie and Louis Buckberg are officers of the corporate respondent. They formulate, direct and control the policies, acts and practices of the said corporate respondent including those hereinafter set forth.

Respondents are manufacturers of fur products with their office and principal place of business located at 208 West 30th Street, New York, New York.

PAR. 2. Respondents are now and for some time last past have been engaged in the introduction into commerce, and in the manufacture for introduction into commerce, and in the sale, advertising, and offering for sale in commerce, and in the transportation and distribution in commerce, of fur products; and have manufactured for sale, sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of furs which have been shipped and received in commerce, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that