

Complaint

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IN THE MATTER OF

JUICE MASTER MANUFACTURING CO., INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket C-1572. Complaint, Aug. 6, 1969—Decision, Aug. 6, 1969*

Consent order requiring an East Peoria, Ill., distributor of fruit and vegetable juice extractors to cease using deceptive guarantees in the sale of its products.

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 Juice Master Manufacturing Co., Inc., a corporation, and Lola Slagell, individually and as an officer of said corporation, and Lloyd D. Slagell, individually, 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 Juice Master Manufacturing Co., 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 604 West Muller Road in the city of East Peoria, State of Illinois.

Respondent Lola Slagell is an individual and an officer of the corporate respondent. She formulates, directs and controls the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. Her address is the same as that of the corporate respondent.

Respondent Lloyd D. Slagell is an individual and an officer of a corporation that owns or controls the assets of the said corporate respondent. He participates with the said corporate officer in formulating, directing and controlling the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distri-

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bution of fruit and vegetable juice extractors directly to the public and to distributors and retailers for resale to the public.

PAR. 3. In the course and conduct of their business as aforesaid, respondents now cause, and for some time last past have caused, their said products, when sold, to be shipped from their place of business in the State of Illinois to purchasers thereof located in various other States of the United States and maintain, and at all times mentioned herein have 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 their aforesaid business, and for the purpose of inducing the purchase of their products, the respondents have made, and are now making, numerous statements in advertisements inserted in magazines and in promotional material with respect to their product guarantees or warranties.

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

ATLAS JUICE MASTER

* * *

fully guaranteed * * *

* * * * *

Unconditional lifetime guarantee against failure resulting from defective parts or workmanship (excepting the cutting blade which has a one year warranty). This guarantee applies to the original purchaser only.

PAR. 5. By and through the use of the above-quoted statements and representations, and others of similar import and meaning but not expressly set out herein, the respondents have represented, and are now representing, directly or by implication, that their products are guaranteed or warranted without condition or limitation.

PAR. 6. In truth and in fact, respondents' guarantees or warranties of their products are subject to conditions and limitations which are not revealed in their advertised guarantees or warranties.

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 their aforesaid business, and at all times mentioned herein, respondents have been, and now are, in substantial competition, in commerce, with corpora-

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tions, firms and individuals in the sale of fruit and vegetable juice extractors of the same general kind and nature as those sold by respondents.

PAR. 8. By and through the use of the aforesaid acts and practices, respondents place in the hands of distributors, retailers and others the means and instrumentalities by and through which they may mislead and deceive the public in the manner and as to the things hereinabove alleged.

PAR. 9. The use by respondents 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 respondents' products by reason of said erroneous and mistaken belief.

PAR. 10. 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 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 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 to issue herein, 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 alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having considered the agreement and having accepted same, and the agreement containing consent order having thereupon been placed 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 in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Juice Master Manufacturing Co., 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 604 West Muller Road, in the city of East Peoria, State of Illinois.

Respondent Lola Slagell is an individual and officer of said corporation and her address is the same as that of said corporation.

Respondent Lloyd D. Slagell is an individual and an officer of a corporation that owns or controls the assets of the corporate respondent and his address is the same as that of said corporation.

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, Juice Master Manufacturing Co., Inc., a corporation, and its officers, and Lola Slagell, individually and as an officer of said corporation, and Lloyd D. Slagell, individually, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of fruit and vegetable juice extractors 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, that their products are guaranteed unless all of the essential terms and conditions of the guarantee, including its nature and extent, the name and address of the guarantor, and the manner in which the guarantor will perform thereunder, are clearly and conspicuously disclosed in immediate conjunction therewith.

2. Furnishing or otherwise placing in the hands of others any means or instrumentality by or through which they may mislead or deceive the public in the manner or as to the things prohibited by this order.

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It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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.
