

policy in writing, stating that the order was issued in the manner and form in which they have complied with this order.

IN THE MATTER OF

BROOKLYN ART PUBLISHING CO., INC., ET AL.,
Docket C-2080

DOEHLE GREETING CARDS, INC., Docket C-2081

ARTIS PUBLISHERS, INC., ET AL., Docket C-2082

METROPOLITAN GREETINGS, INC., ET AL., Docket C-2083

PLASTICHROME GREETINGS, INC., Docket C-2084

PAPERCRAFT CORP., Docket C-2085

HAWTHORNE-SOMMERFIELD, INC., ET AL., Docket C-2086

GEORGE S. CARRINGTON COMPANY, ET AL., Docket C-2087

WHITE CARD CORPORATION, Docket C-2088

CHARMCRAFT PUBLISHERS, INC., ET AL., Docket C-2089*

H. S. CROCKER CO., INC., ETC., Docket C-2090

CAMEO GREETING CARDS, INC., ET AL., Docket C-2091

MANHATTAN GREETING CARD CO., INC., ET AL.,
Docket C-2092

ARTISTIC GREETINGS, INC., ET AL., Docket C-2093

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

Complaints, Nov. 12, 1971—Decisions, Nov. 12, 1971

Consent orders requiring 14 producers of greeting cards to cease preticketing their merchandise with fictitious prices or furnishing others the means to mislead the purchasing public as to the retail prices of respondents' products.

*By order of March 15, 1972, 80 F.T.C. 1022, the Commission denied respondents' petition requesting that the order to cease and desist be set aside as to Ira Rublin in his individual capacity.

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 Brooklyn Art Publishing Company, Inc., a corporation, and Milton Goldman, individually and as an officer of said corporation; Doehla Greeting Cards, Inc., a corporation; Artis Publishers, Inc., a corporation, and Alfred Ochs, individually and as an officer of said corporation; Metropolitan Greetings, Inc., a corporation, and Jorn Sann, individually and as an officer of said corporation; Plastichrome Greetings, Inc., a corporation; Papercraft Corporation, a corporation; Hawthorne-Sommerfield, Inc., a corporation, and Francis Sommerfield, individually and as an officer of said corporation; George S. Carrington Company, a corporation, and Walter E. Bennett, individually and as an officer of said corporation; White Card Co., Inc., a corporation; Charmcraft Publishers, Inc., a corporation, and Ira F. Rubin, individually and as an officer of said corporation; H. S. Crocker Co., Inc., a corporation, trading as California Artists and Creative Artists; Cameo Greeting Cards, Inc., a corporation, and George Kampe, individually and as an officer of said corporation; Manhattan Greeting Card Co., Inc., a corporation, and Gilbert Cohen, individually and as an officer of said corporation; and Artistic Greetings, Inc., a corporation, and Stuart Komer, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that proceedings by it in respect thereof would be in the public interest, hereby issues its complaints stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Brooklyn Art Publishing Company, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal office and place of business located at 43-47 West 23rd Street, New York, New York. Respondent Milton Goldman is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent Doehla Greeting Cards, 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 One Myrtle Street, Nashua, New Hampshire.

Respondent Artis Publishers, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of

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New York with its principal office and place of business located at 42 Greene Street, New York, New York. Respondent Alfred Ochs is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent Metropolitan Greetings, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts with its principal office and place of business located at 167 Bow Street, Everett, Massachusetts. Respondent Jorn Sann is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent Plastichrome Greetings, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts with its principal office and place of business located at 76 Atherton Street, Boston, Massachusetts. Respondent also trades and does business as Newbury Guild and Grand Award.

Respondent Papercraft Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Pennsylvania with its principal office and place of business located at Papercraft Park, Pittsburgh, Pennsylvania.

Respondent Hawthorne-Sommerfield, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New Jersey with its principal office and place of business located at Jackson & Center Streets, Freehold, New Jersey. Respondent Francis Sommerfield is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent George S. Carrington Company, is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts with its principal office and place of business located on Industrial Road, Leominster, Massachusetts. Respondent Walter E. Bennett is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent White Card Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts with its principal office and place of business located at 369 Congress Street, Boston, Massachusetts.

Respondent Charmcraft Publishers, 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 33 Thirty-fifth Street, Brooklyn, New York. Respondent Ira F. Rubin is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent H. S. Crocker Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of California with its principal office and place of business located at 1000 San Mateo, San Bruno, California. Respondent trades as California Artists and Creative Artists.

Respondent Cameo Greeting Cards, Inc., 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 3431 West Irving Park Road, Chicago, Illinois. Respondent George Kampe is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent Manhattan Greeting Card Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal office and place of business located at 657 Broadway, New York, New York. Respondent Gilbert Cohen is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent Artistic Greetings, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York with its principal office and place of business located at 1575 Lake, Elmira, New York. Respondent Stuart Komer is an individual and officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including 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 offering for sale, sale and distribution to wholesalers and retailers of greeting cards for resale to the purchasing 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 products, when sold, to be shipped from their respective places of business in the States of California, Illinois, Massachusetts, New Hampshire, New Jersey, New York and Pennsylvania to purchasers thereof located in various other States of the United States and in the District of Columbia. Respondents 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 businesses, and at all times mentioned herein respondents have been, and now are, in substantial competition in commerce with corporations, firms and individuals engaged in the sale of products of the same general kind and nature as those sold by respondents.

PAR. 5. Respondents, for the purpose of inducing the purchase of their products, have engaged in the practice of using fictitious prices in connection therewith by the following method and means:

By distributing, or causing to be distributed, to retailers, certain of respondents' Christmas cards in consumer packages upon which are clearly and conspicuously printed prices.

In the manner aforesaid, respondents thereby represent, directly or indirectly, that the amounts shown are respondents' bona fide estimates of the actual retail prices of said products in respondents' trade areas and that they do not appreciably exceed the highest prices at which substantial sales of said products are made at retail in said trade areas.

In truth and in fact said amounts shown are not respondents' bona fide estimates of the actual retail prices of said products in respondents' trade areas and they appreciably exceed the highest prices at which substantial sales of said products are made at retail in said trade areas.

Therefore, the statements and representations set forth above are false, misleading and deceptive.

PAR. 6. By the aforesaid acts and practices, respondents place in the hands of retailers the means and instrumentalities by and through which they may mislead the public as to the usual and regular retail prices of said products.

PAR. 7. The use by respondents of the aforesaid false, misleading and deceptive statements, representations, acts and practices has had, and now has, the capacity and tendency to mislead and deceive 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' merchandise by reason of said erroneous and mistaken belief.

PAR. 8. 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 Federal Trade Commission having initiated investigations of certain acts and practices of each of the respondents named in the caption hereof, and the respondents having been furnished thereafter with copies of drafts of complaints which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act; and

The respondents and counsel for the Commission having thereafter executed agreements containing consent orders, admissions by the respondents of all the jurisdictional facts set forth in the aforesaid drafts of complaints, statements that the signing of said agreements is for settlement purposes only and does not constitute admissions by respondents that the law has been violated as alleged in such complaints, and waivers and other provisions as required by the Commission's rules; and

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

1. Respondent Brooklyn Art Publishing Company, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 43-47 West 23rd Street, New York, New York. Respondent Milton Goldman is an officer of said corporation and his address is the same as that of said corporation.

Respondent Doehla Greeting Cards, 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 One Myrtle Street, Nashua, New Hampshire.

Respondent Artis Publishers, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 42 Greene Street, New York, New York. Respondent Alfred Ochs is an officer of said corporation and his address is the same as that of said corporation.

Respondent Metropolitan Greetings, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts, with its office and principal place of business located at 167 Bow Street, Everett, Massachusetts. Respondent Jorn Sann is an officer of said corporation and his address is the same as that of said corporation.

Respondent Plastichrome Greetings, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts, with its office and principal place of business located at 76 Atherton Street, Boston, Massachusetts.

Respondent Papercraft Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its office and principal place of business located at Papercraft Park, Pittsburgh, Pennsylvania.

Respondent Hawthorne-Sommerfield, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New Jersey, with its office and principal place of business located at Jackson & Center Streets, Freehold, New Jersey. Respondent Francis Sommerfield is an officer of said corporation and his address is the same as that of said corporation.

Respondent George S. Carrington Company, is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts, with its office and principal place of business located at Industrial Road, Leominster, Massachusetts. Respondent Walter E. Bennett is an officer of said corporation and his address is the same as that of said corporation.

Respondent White Card Corporation, 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 369 Congress Street, Boston, Massachusetts.

Respondent Charmcraft Publishers, 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 33 Thirty-fifth Street, Brooklyn, New York. Respondent Ira F. Rubin is an officer of said corporation and his address is the same as that of said corporation.

Respondent H. S. Crocker Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of California, with its office and principal place of business located at 1000 San Mateo, San Bruno, California. Said corporation trades as California Artists and Creative Artists.

Respondent Cameo Greeting Cards, Inc., 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 3431 West Irving Park Road, Chicago, Illinois. Respondent George Kampe is an officer of said corporation and his address is the same as that of said corporation.

Respondent Manhattan Greeting Card Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 657 Broadway, New York, New York. Respondent Gilbert Cohen is an officer of said corporation and his address is the same as that of said corporation.

Respondent Artistic Greetings, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 1575 Lake, Elmira, New York. Respondent Stuart Komer is an officer of said corporation and his address is the same as that of said corporation.

2. The Federal Trade Commission has jurisdiction of the subject matter of these proceedings and of the respondents, and the proceedings are in the public interest.

ORDER

It is ordered, That each of the respondents named hereinabove 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 greeting cards or any other product, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Disseminating or distributing any purported retail price or preticketing merchandise with any stated price amount unless (a) it is respondents' bona fide estimate of the actual retail price of the product in the area where respondents do business and

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(b) it does not appreciably exceed the highest price at which substantial sales of said product are made in said trade area.

2. Misrepresenting, in any manner, the prices at which respondents' merchandise is sold at retail.

3. Furnishing to others any means or instrumentalities whereby the purchasing public may be misled or deceived as to the retail prices of respondents' products.

It is further ordered, That the respondent corporations shall forthwith distribute a copy of this order to each of their 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.