

has complied with the order to cease and desist contained herein.

IN THE MATTER OF

HARRY McDOWELL, JR., DOING BUSINESS AS
BANK REPOSSESSION

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE TRUTH
IN LENDING AND THE FEDERAL TRADE COMMISSION ACTS

Docket C-2110. Complaint, Nov. 29, 1971—Decision, Nov. 29, 1971

Consent order requiring a used car dealer of Birmingham, Ala., to cease violating the Truth in Lending Act by failing, in consumer credit transactions and advertisements, to make all disclosures in the manner, form and amount required by Regulation Z of the Act.

COMPLAINT

Pursuant to the provision of the Truth in Lending Act and the implementing regulation thereunder, and the Federal Trade Commission Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Harry McDowell, Jr., an individual, trading and doing business as Bank Repossession, hereinafter referred to as respondent, has violated the provisions of said Acts and implementing regulation, 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 Harry McDowell, Jr. is an individual trading and doing business as Bank Repossession with his principal place of business located at 1606 Greensprings Highway, Birmingham, Alabama.

PAR. 2. Respondent is now and for some time last past has been, engaged in the advertising for sale and retail sale of used cars to the public.

PAR. 3. In the ordinary course and conduct of his business as aforesaid, respondent regularly extends, and for some time last past has regularly extended, consumer credit as "consumer credit" is defined in Regulation Z, the implementing regulation of the Truth in Lending Act duly promulgated by the Board of Governors of the Federal Reserve System.

PAR. 4. Subsequent to July 1, 1969, respondent in the ordinary course and conduct of his business, and in connection with his credit sales as "credit sale" is defined in Regulation Z, has caused and is causing customers to execute bills of sale contracts, hereinafter referred to as the "Bill of Sale." The bill of sale does not contain any consumer credit cost disclosures except the cash price, trade-in and the number and amount of installment payments. No other consumer credit cost disclosures are furnished to customers.

By and through the use of the bill of sale, respondent failed in any consumer credit transaction to make any disclosures determined in accordance with Sections 226.4 and 226.5 of Regulation Z at the time and in the manner, form and amount required by Sections 226.6 and 226.8 of Regulation Z.

PAR. 5. In the ordinary course of his business as aforesaid, respondent caused to be published advertisements of his goods, as "advertisement" is defined in Regulation Z. These advertisements aid, promote or assist directly or indirectly extensions of consumer credit in connection with the sale of these goods and services. By and through the use of the advertisements, respondent states that no downpayment is required in connection with a consumer credit transaction without also stating all of the following items in terminology prescribed under Section 226.8 of Regulation Z, as required by Section 226.10(d)(2) thereof:

- (i) The cash price;
- (ii) The amount of the downpayment required or that no downpayment is required, as applicable;
- (iii) The number, amount, and due dates or period of payments scheduled to repay the indebtedness if the credit is extended;
- (iv) The amount of the finance charge expressed as an annual percentage; and
- (v) The deferred payment price.

PAR. 6. Pursuant to Section 103(q) of the Truth in Lending Act, respondent's aforesaid failure to comply with the provisions of Regulation Z constitute violations of that Act and, pursuant to Section 108 thereof, respondent has thereby violated the Federal Trade Commission Act.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation 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 Atlanta Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Truth in Lending Act and the implementing regulation promulgated thereunder, and 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 Acts, and that complaint should issue stating its charges in that 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 Section 2.34(b) of its rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent is an individual who was trading and doing business under and by virtue of the laws of the State of Alabama, whose office and principal place of business was located at 1606 Greensprings Highway, Birmingham, Alabama.

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 Harry McDowell, Jr., an individual trading and doing business as Bank Repossession, or under any other name, and respondent's agents, representatives and employees, directly or through any corporate or other device, in connection with any consumer credit transaction or advertisement to aid, promote or assist directly or indirectly any extension of consumer credit, as "consumer credit," "credit sale" and "advertisement" are defined in Regulation Z

(12 CFR § 226) of the Truth in Lending Act (Public Law 90-321, 15 U.S.C. 1601 *et seq.*), do forthwith cease and desist from:

Failing in any consumer credit transaction or advertising, to make all disclosures determined in accordance with Sections 226.4 and 226.5 of Regulation Z at the time and in the manner, form and amount required by Sections 226.6, 226.8 and 226.10 of Regulation Z.

It is further ordered, That a copy of this order to cease and desist shall be delivered to all present and future personnel of respondent engaged in the consummation of any credit sale or any aspect of preparation, creation, and placing of advertising, and shall secure from each such person a signed statement acknowledging receipt of said order.

It is further ordered, That respondent notify the Commission at least thirty (30) days prior to any proposed change in respondent's business organization such as dissolution; assignment or sale resulting in the emergence of a successor business, corporate or otherwise; the creation of subsidiaries; any change of business name or trade style; or any other change which may affect compliance obligations arising out of the order.

It is further ordered, That respondent 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

KOPPERS COMPANY, INC.

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

Docket 8755. Complaint, Jan. 12, 1968—Decision, Nov. 30, 1971

Consent order requiring a chemical producer of Pittsburgh, Pa., to void its resorcinol supply contracts containing requirements or exclusive dealing provisions; to cease entering into illegal requirements contracts, discriminating in price between its customers, and acquiring resorcinol firms without prior Commission approval; and requiring respondent to grant unrestricted production licenses under its resorcinol patents to producers