

Uniroyal, Inc., engaged in the sale and distribution of muniers, auto-

Complaint

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motive fan belts, and other products, among other things to cease misrepresenting the nature and extent of its guarantees.

Appearances

For the Commission: *E. J. Niemeyer.*

For the respondent: *Lawrence D. Lenihan* and *David J. O'Boyle*, of *Arthur, Kalish, Taylor & Wood*, New York, New York.

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 Uniroyal Merchandising Company, 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. Uniroyal Merchandising Company, Inc., a wholly-owned subsidiary of Uniroyal, 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 3333 Fannin Street, in the city of Houston, State of Texas.

PAR. 2. Respondent is now, and for some time last past has been, engaged in the advertising, offering for sale, sale or distribution of mufflers, automotive fan belts and other products to the consuming public.

PAR. 3. In the course and conduct of its business as aforesaid, respondent now causes, and for some time last past has caused its said products, when sold, to be shipped from its place of business in the State of Texas 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 its aforesaid business, and for the purpose of inducing the purchase of its products, respondent has made on automotive fan belt sleeves and in advertising in general circulation, statements and representations with respect to its guarantees.

Typical and illustrative of said statements and representations are the following:

Fisk Lifetime Guarantee Mufflers
Guaranteed unconditionally to outlast
ordinary type belts.

PAR. 5. By and through the use of the aforesaid statements and representations, and others of similar import and meaning but not specifically set out herein, respondent has represented, directly or by implication, that its mufflers and automotive fan belts are guaranteed without limitations or conditions.

PAR. 6. In truth and in fact, each of respondent's mufflers and fan belts are not unconditionally guaranteed in every respect without conditions or limitations.

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

PAR. 7. The use by respondent of the aforesaid false, misleading and deceptive statements and representations has had 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 the products offered by respondent by reason of said erroneous and mistaken belief.

PAR. 8. The aforesaid acts and practices of the respondent, as herein alleged, were and are all to the prejudice and injury of the public and of respondent's competitors and constituted 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 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 Bureau of Consumer Protection 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

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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 the respondent that the law has been violated as alleged in said complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having reason to believe that the respondent has violated the Federal Trade Commission Act, and having determined that complaint should issue stating its charges in that respect, hereby issues its complaint, accepts said agreement, makes the following jurisdictional findings, and enters the following order:

1. Proposed respondent Uniroyal Merchandising Company, Inc., a wholly-owned subsidiary of Uniroyal, 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 3333 Fannin Street, in the city of Houston, State of Texas.

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 Uniroyal Merchandising Company, Inc., a corporation, and its officers, agents, representatives, employees, successors and assigns, directly or through any corporate or other device, in connection with the sale, offering for sale, or distribution of mufflers, automotive fan belts, or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

Representing by any means, directly or by implication with respect to those products manufactured by respondent, and in any advertising of products not manufactured by respondent, that such products are guaranteed unless the nature, extent and duration of the guarantee, the identity of the guarantor and the manner in which the guarantor will perform thereunder are clearly and conspicuously disclosed; and unless respondent promptly and fully performs all of its obligations and requirements, directly or impliedly represented, under the terms of each such guarantee.

It is further ordered, That respondent notify the Commission

at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

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 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 manner and form in which it has complied with this order.

IN THE MATTER OF
STRETCH-EES, INC., ET AL.

CONSENT ORDER IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION & TEXTILE FIBER PRODUCTS
IDENTIFICATION ACTS

Docket C-2432. Complaint, August 16, 1973—Decision, August 16, 1973.

Consent order requiring two Brooklyn, N.Y., corporations manufacturers of textile fiber products, namely ladies' garments, among other things to cease misbranding their products.

Appearances

For the Commission: *J. Manos and B. Bergan.*

For the respondents: *pro se.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Stretch-ees, Inc., a corporation, and Harvey Lerner and Max Aig, individually and as officers of said corporation, and Take-12, Inc., a corporation, trading as Born Free, and Harvey Lerner, Max Aig and Samuel Bernstein, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and regulations promulgated under the