

removing from him authority to deal fully with other questions that may arise that bear on the subject to research evidence or other motions directed to simplification of issues.

Order

83 F.T.C.

of Commission's proposed modification, and directing compliance with the consent order issued July 11, 1972, 81 F.T.C. 86.

Appearances

For the Commission: *Lewis H. Goldfarb.*

For the respondents: *Henning, Chambers & Mabry*, Atlanta, Ga.

ORDER IN RESPONSE TO PETITION FOR MODIFICATION

On January 23, 1973 [82 F.T.C. 263], the Commission issued a proposed modification of its July 11, 1972 order in this matter granting in part and denying in part respondents' August 7, 1972 petition for modification. The proposed modification was conditioned upon respondents' acceptance thereof and submittal of a signed agreement containing a consent order which contained a new "Paragraph One." Respondents rejected the proposed modification and instead, on April 3, 1973, filed a petition for modification requesting that the following language be added after Paragraph 1(b) of the July 11, 1972 order:

Provided, however, that the requirements of this Paragraph 1 shall not apply to respondents' individualized oral responses to spontaneous telephone or in-store inquiries initiated by customers.

Respondents contend that it was never intended nor contemplated by the parties to the consent agreement that the provisions of Paragraph 1 would be applicable to oral responses to spontaneous inquiries made by customers. They also contend that the requested modification will adequately protect the public interest.

The Commission does not agree, however, that its decision to accept the proffered consent order contemplated that Paragraph 1 disclosures should be limited to representations or advertisements initiated by respondents. It was also the intent of the Commission to require the disclosures in every instance, regardless of who initiated the conversation. The present language of Paragraph 1 reflects the intent of the Commission in this regard. Accordingly,

It is ordered, That respondents' petition herein be denied and that respondents comply with the Commission's consent order issued July 11, 1972.

Complaint

IN THE MATTER OF
AMERICAN THRIFT AND FINANCE PLAN, INC., ET AL.
CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATIONS OF
THE FEDERAL TRADE COMMISSION AND THE TRUTH IN LENDING ACTS
Docket C-2465. Complaint, Oct. 12, 1973—Decision, Oct. 12, 1973.

Consent order requiring two New Orleans, La., money lenders, among other things to cease violating the Truth in Lending Act by failing to disclose to consumers, in connection with the extension of consumer credit, such information as required by Regulation Z of the said Act.

Appearances

For the Commission: *Joseph Hickman.*

For the respondents: *Patrick D. Breeden, Russell & DeRussy,*
New Orleans, La.

COMPLAINT

Pursuant to the provisions 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 American Thrift and Finance Plan, Inc., a corporation, and State Farm Acceptance, a corporation, hereinafter referred to as respondents, have 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. Respondents American Thrift and Finance Plan, Inc., and State Farm Acceptance are corporations organized, existing and doing business under and by virtue of the laws of the State of Louisiana with their principal office and place of business located at 4039 Touro Street, in the city of New Orleans, State of La.

The aforementioned respondents cooperate and act together in carrying out the acts and practices herein set forth.

PAR. 2. Respondents are now and for some time last past have been, engaged in the business of lending money to the public.

PAR. 3. In the ordinary course and conduct of their business as aforesaid, respondents regularly extend and for some time last past have regularly extended consumer credit as "consumer