

IN THE MATTER OF  
IRA SACHS T/A BURGLAR KING

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

*Docket C-2762. Complaint, Nov. 4, 1975-Decision, Nov. 4, 1975*

Consent order requiring a Chicago, Ill., door-to-door seller of burglar gates, among other things to cease violating provisions of the Trade Regulation Rule on Door-to-Door Sales (16 CFR 429) by failing to disclose to customers of their right to cancel contracts during a specified cooling-off period with full refund of any monies paid.

*Appearances*

For the Commission: *Walter R. Baron.*

For the respondent: *Pro se.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and by virtue of authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Ira Sachs, an individual, trading and doing business as Burglar King, hereinafter sometimes 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. Respondent Ira Sachs is an individual trading and doing business as Burglar King with his principal office and place of business located at 30 W. Washington St., Chicago, Ill. He formulates, directs and controls the policies, acts and practices hereinafter set forth.

PAR. 2. Respondent is now, and for some time last past has been, engaged in the advertising, offering for sale and retail sale and distribution of burglar gates to the general public.

PAR. 3. In the course of advertising the products and services which respondent offers for sale and sell, as aforesaid, respondent transmits and causes to be transmitted advertisements or other promotional material among or between different States of the United States.

Accordingly, respondent has maintained, and now maintains, a substantial course and conduct of business in commerce as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the ordinary course and conduct of his business as aforesaid, respondent regularly engages in door-to-door sales, as such sales are defined in the Federal Trade Commission Trade Regulation Rule concerning a Cooling-Off Period for Door-to-Door Sales, 16 C.F.R. §429 (1974).

PAR. 5. In the ordinary course and conduct of his business, as aforesaid, respondent engages in door-to-door sales of consumer goods, as the terms "door-to-door sales" and "consumer goods" are defined in the Federal Trade Commission Trade Regulation Rule concerning a Cooling-Off Period for Door-to-Door Sales, 16 C.F.R. §429 (1974) (hereinafter referred to as the "Commission Rule") duly promulgated by the Federal Trade Commission.

PAR. 6. Subsequent to June 7, 1974, respondent, in the ordinary course and conduct of his business, as aforesaid, and in connection with his door-to-door sales of consumer goods:

a. Now fail and have failed to furnish the buyers with a fully completed receipt of the sale in accordance with subsection (a) of the Commission Rule; and

b. Now include and have included in their door-to-door contracts a confession of judgment clause, in violation of subsection (d) of the Commission's Rule; and

c. Now fail and have failed to inform each buyer orally of his right to cancel, in the form and manner provided by subsection (e) of the Commission Rule.

Therefore, respondent's aforesaid failure to comply with subsections

(a), (d) and (e) of the Commission Rule constitute unfair and deceptive acts or practices in violation 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 proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violations of the Federal Trade Commission Act; 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 provisionally accepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 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, Ira Sachs, an individual trading, existing and doing business as Burglar King, with its office and principal place of business located at 30 W. Washington St., Chicago, Ill.

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 respondent Ira Sachs, an individual, trading and doing business as Burglar King, or under any name or names, its successors and assigns and respondent's agents, representatives and employees, directly or through any corporation, subsidiary, division or other devise, in connection with any door-to-door sale of consumer goods or services, as such sales are defined in the Federal Trade Commission Trade Regulation Rule concerning a Cooling-Off Period

Rule for Door-to-Door Sales (16 C.F.R. §429.1) (hereinafter "the Commission Rule"), do forthwith cease and desist from:

1. Failing to furnish their buyers with a fully completed copy of the contract used in door-to-door sales, as such transactions are defined in the rule, which contains in immediate proximity to the space reserved in the contract for the signature of the buyer a summary notice of the buyer's right to cancel in substantially the same form as that required in subsection (a) of the Commission's Rule.

2. Failing to inform each buyer orally at the time he signs the contract or purchases the goods or services of his right to cancel as required in subsection (e) of the Commission's Rule.

3. Including in their door-to-door contracts a confession of judgment clause.

4. Engaging in any act or practice which constitutes an unfair or deceptive act or practice pursuant to the Commission's Trade Regulation Rule entitled "Cooling Off Period for Door-to-Door Sales," effective June 7, 1974, 16 C.F.R. §429 (a copy of which is attached hereto as Appendix A), and any amendments thereto.

*It is further ordered,* That respondent deliver a copy of this order to cease and desist to all present and future personnel of respondent engaged in the door-to-door sale of the respondent's goods or services, as such transactions are defined in the Commission's Rule, and that respondent secure a signed statement acknowledging receipt of said order from each such person.

*It is further ordered,* That the respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. Such notice shall include respondent's current business address and a statement as to the nature of the business or employment in which he is engaged as well as a description of his duties and responsibilities.

*It is further ordered,* That respondent notify the Commission at least thirty (30) days prior to any proposed change in the company ownership, such as dissolution, assignment or sale, the creation or dissolution of subsidiaries, incorporation, or any other change in the ownership which may affect compliance obligations arising out of the order.

*It is further ordered,* That respondent, in connection with the promotion, offering for sale, sale or distribution of any consumer goods or services included in this order, offer to cancel the sale of such goods or services and to refund immediately all monies paid by any customer who was procured by or involved a violation of any of the provisions of this order; and make such cancellation and refund to any customer who so elects. Respondent shall maintain a list of the names and addresses

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of such customers requesting a cancellation of their contracts or a refund under the terms of this paragraph for a three (3) year period together with a record of the action taken in each case and make such records available for inspection by the Commission.

*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 form and manner in which they have complied with this order.