

IN THE MATTER OF
THE AMERICAN COLLEGE OF RADIOLOGY

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

Docket C-2871. Complaint, Mar. 1, 1977 — Decision, Mar. 1, 1977

Consent order requiring a Chicago, Ill., medical association, among other things, to cease developing, publishing and circulating relative value scales which tend to establish prices or otherwise influence fees for medical and surgical procedures and services. Additionally, respondent is required to withdraw relative value scales already published and to send copies of the complaint and order to all recipients of this data requesting the return of all copies of the material.

Appearances

For the Commission: *Lawrence E. Gray* and *Judith A. Moreland*.
For the respondent: *James M. Nicholson, Nicholson & Carter*,
Washington, D.C. and *Paul G. Gebhard, Vedder, Price, Kaufman & Kammholz*, Chicago, Ill.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. 41, *et seq.*, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that The American College of Radiology has violated the provisions of Section 5 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 as follows:

PARAGRAPH 1. Respondent, The American College of Radiology ("ACR"), 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 20 North Wacker Drive, Chicago, Ill.

PAR. 2. ACR has approximately 12,000 members and fellows who are elected from the ranks of those physicians who have been certified in radiology or one of its Board-recognized branches by the American Board of Radiology or the Royal College of Physicians and Surgeons of Canada, those physicists who have been certified in physics by the American Board of Radiology or the Royal College of Physicians and Surgeons of Canada, and those physicians engaged in nuclear medicine who have been certified as specialists in that practice by the appropriate specialty board which is a member of

either the American Board of Medical Specialties or its Canadian equivalent. Such members and fellows elect a majority of the Board of Chancellors which manages the affairs of ACR.

PAR. 3. Radiologists are licensed physicians who specialize in the use of X-ray, radium and other radioactive substances, and/or in the use of nuclear medicine and ultrasound and related procedures in the diagnosis and treatment of disease and other physical conditions. Nuclear physicians specialize in the use of nuclear medicine and related procedures in the diagnosis and treatment of disease and other physical conditions. Radiologists and nuclear physicians are generally engaged in the private practice of medicine and derive substantial portions of their professional income from fees for medical services charged to patients or to insurers.

PAR. 4. The acts and practices of ACR are in or affect commerce as "commerce" is defined in the Federal Trade Commission Act.

PAR. 5. Since 1958, ACR has, on various occasions, prepared, published, and circulated to its members and fellows and others "relative value scales" which set forth in non-monetary units comparative numerical values for procedures and services performed by radiologists and nuclear physicians. Each value is convertible into a monetary fee by the application of a dollar conversion factor to the basic unit.

PAR. 6. The preparation, publication, and circulation by ACR of relative value scales have the effect of establishing, maintaining, or otherwise influencing the fees which radiologists and nuclear physicians charge for their professional services and are in violation of Section 5 of the Federal Trade Commission Act, as amended.

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 respondent having been furnished thereafter with a copy of a draft of complaint which the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of Section 5 of 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 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 considered the agreement and having provisionally accepted same and placed it on the public record for a period of sixty (60) days, and having duly considered the comments filed thereafter by interested persons pursuant to Section 2.34 of the Commission's Rules, now in further conformity with the procedure provided by Section 2.34 of its Rules hereby issues its decision in disposition of the proceeding against the above-named respondent, makes the following jurisdictional findings, and enters the following findings and order:

1. Respondent, The American College of Radiology ("ACR"), is a corporation organized, existing and doing business under and by virtue of the laws of the State of California, with its principal offices located at 20 North Wacker Drive, Chicago, Ill.

2. The Federal Trade Commission has jurisdiction over the subject matter of this proceeding and over the respondent, and the proceeding is in the public interest.

ORDER

I

A. The term "relative value scale" means any list or compilation of surgical and/or medical procedures and/or services which sets forth comparative numerical values for such procedures and/or services, without regard to whether those values are expressed in monetary or non-monetary terms.

B. The term "ACR" means the American College of Radiology.

C. The term "effective date of this order" means the date of service of this order.

II

It is ordered, That ACR, its successors, or assigns, and its officers, agents, representatives and employees, directly or through any corporation, subsidiary, division, or other device, shall:

A. Cease and desist from directly or indirectly initiating, originating, developing, publishing, or circulating the whole or any part of any proposed or existing relative value scale(s);

B. Cease and desist from directly or indirectly advising in favor of or against the use of, or contributing to the whole or any part of any proposed or existing relative value scale(s); *Provided, however*, that nothing contained herein shall prohibit ACR from furnishing testimony to any government body, committee, or instrumentality, or

from furnishing to any third party or government body, committee, or instrumentality such information as may be requested; to the extent, however, that such information or testimony may bear directly or indirectly on compensation levels for radiological or nuclear medicine services or procedures, it shall be limited to historical data, free of editing or interpretation, and shall be completely described as to methodology;

C. Permanently cancel, repeal, abrogate, and withdraw any and all relative value scales which it has heretofore developed, published, circulated, or disseminated;

D. Within thirty (30) days after the effective date of this order, distribute by first class mail a copy of the Commission's complaint and order in this matter, as well as a letter, in the form shown in Appendix "A" to this order, to each of its fellows and members and to each of the third party payers and others listed in Appendix "B" to this order, instructing such fellows and members and third party payers and others to return to ACR all copies of ACR relative value scales in their possession.

III

It is further ordered, That ACR shall notify the Commission at least thirty (30) days prior to any proposed change in its organization which might affect compliance obligations under this order, such as, but not limited to, dissolution, the emergence of a successor corporation, and the creation and/or dissolution of subsidiaries.

IV

It is further ordered, That ACR shall, within sixty (60) days after the effective date of this order, file with the Commission a written report showing in detail the manner and form of its compliance with each of the provisions of the order.

V

Nothing in this order shall be construed to exempt The American College of Radiology from complying with the antitrust laws or the Federal Trade Commission Act. The fact that any activity is not prohibited by this order shall not bar a challenge to it under such laws.

APPENDIX A

(ACR LETTERHEAD)

TO: Recipients of ACR Relative Value Studies

Decision and Order

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As you may be aware, the FTC has been investigating various components of health care, including relative value scale activities of ACR. The Board of Chancellors of the College no longer desires to continue such activities and has discontinued them. It has entered into an agreement with the Federal Trade Commission to formalize the discontinuance of its relative value scales.

This agreement resulted in the issuance by the Federal Trade Commission on March 1, 1977 of a complaint and the entry of a consent order which requires, in essence, that ACR:

- (a) stop publishing and participating in the development of relative value scales;
- (b) withdraw the relative value scales it has already published;
- (c) distribute a copy of the complaint and consent order to every ACR relative value scale recipient; and
- (d) instruct all recipients of ACR's relative value scales to return them to ACR.

The complaint alleges basically that ACR's relative value scales have the effect of influencing fees charged by radiologists and nuclear physicians. The consent agreement with the FTC states that it is for settlement purposes only and does not constitute an admission by the College of the charges in the complaint or that the law has been violated.

In accordance with the provisions of the FTC's order, you are to cease using and to return all copies of any College relative value scale in your possession.

The proper mailing address is:

The American College of Radiology
20 North Wacker Drive
Chicago, Illinois 60606
Attention:

Copies of the FTC's complaint and order are enclosed.

Sincerely,

President

APPENDIX B

Commissioner
Medical Services Administration
Social and Rehabilitation Service
Department of Health, Education, and
Welfare
330 C Street, S.W.
Washington, DC 20201

Commissioner of Social Security
Department of Health, Education,
and Welfare
6401 Security Boulevard
Baltimore, MD 21235

Deputy Assistant Secretary for
Health Resources and Programs
Department of Defense
Washington, DC 20301

Directorate
OCHAMPUS
Department of Defense
Washington, DC 20301

National Association of
Blue Shield Plans
211 East Chicago Avenue
Chicago, IL 60611

Health Application Systems
1633 Bayshore Highway
Burlingame, CA 94010

Blue Cross and Blue Shield
of Alabama
930 S. 20th Street
Birmingham, AL 35298

Blue Cross of Arizona, Inc.
321 W. Indian School Road
Box 13466
Phoenix, AZ 85002

Arizona Blue Shield Medical
Service
321 W. Indian School Road
Box 13466
Phoenix, AZ 85002

Arkansas Blue Cross and Blue
Shield, Inc.
601 Gaines Street
Box 2181
Little Rock, AR 72203

Connecticut Medical Service, Inc
221 Whitney Avenue
New Haven, CT 06509

Blue Cross and Blue Shield of
Delaware, Inc.
201 W. 14th Street
Box 1991
Wilmington, DE 19899

Group Hospitalization, Inc. BC
550 12th Street, S.W.
Washington, DC 20024

Medical Service of the District of Colum-
bia BS
550 12th Street, S.W.
Washington, DC 20024

OCHAMPUS
Department of Defense
Denver, CO 80240

Blue Cross of Southern California
Box 27747
4777 Sunset Boulevard
Los Angeles, CA 90027

Blue Cross of Northern California
1950 Franklin Street
Oakland, CA 94659

Blue Shield of California
2 North Point
San Francisco, CA 94113

Colorado Hospital Service - BC
244 University Boulevard
Denver, CO 80206

Colorado Medical Service, Inc. BS
244 University Boulevard
Denver, CO 80206

Connecticut Blue Cross, Inc.
Box 504
370 Bassett Road
North Haven, CT 06473

Hawaii Medical Service Association
1504 Kapiolani Boulevard
Box 860
Honolulu, HI 96808 BS

Blue Cross of Idaho, Inc.
1501 Federal Way
Box 7408
Boise, ID 83707

North Idaho District Medical Service
Bureau, Inc. BS
1602 21st Avenue
Box 1106
Lewiston, ID 83501

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Blue Cross of Florida, Inc.
532 Riverside Avenue
Box 1798
Jacksonville, FL 32201

Blue Shield of Florida, Inc.
532 Riverside Avenue
Box 1798
Jacksonville, FL 32201

Blue Cross of Georgia/Atlanta
Inc.
1010 West Peachtree St., N.W.
Box 4445
Atlanta, GA 30302

Blue Cross of Georgia/Columbus
Inc.
2357 Warm Springs Road
Box 1520
Columbus, GA 31902

Blue Shield of Georgia/Atlanta
Inc.
1010 West Peachtree St., N.W.
Box 4445
Atlanta, GA 30302

Blue Shield of Georgia/Columbus
Inc.
2357 Warm Springs Road
Box 1520
Columbus, GA 31902

Blue Shield of Iowa
Liberty Building
Des Moines, IA 50307

Kansas Hospital Service
Association, Inc.
1133 Topeka Avenue
Box 239
Topeka, KS 66601

Kansas Blue Shield
1133 Topeka Avenue
Box 239
Topeka, KS 66601

Blue Cross Hospital Plan Inc.
3101 Bardstown Road
Louisville, KY 40205

Illinois Hospital and Health BC
Service Inc.
227 N. Wyman Street
Rockford, IL 61101

Hospital Service Corporation BC
233 North Michigan Avenue
Box 1364
Chicago, IL 60601

Illinois Medical Service - BS
233 North Michigan Avenue
Chicago, IL 60601

Blue Cross of Indiana
120 W. Market Street
Indianapolis, IN 46204

Mutual Medical Insurance Inc. BS
120 W. Market Street
Indianapolis, IN 46204

Blue Cross of Iowa
Liberty Building
Sixth Street & Grand Avenue
Des Moines, IA 50307

Blue Cross of Michigan
600 Lafayette E.
Detroit, MI 48226

Blue Shield of Michigan
600 Lafayette E.
Detroit, MI 48226

Blue Cross and Blue Shield
of Minnesota
3535 Blue Cross Road
Box 3560
St. Paul, MN 55165

Blue Cross and Blue Shield
of Minnesota
2344 Nicollet Avenue
Minneapolis, MN 55404

Kentucky Physicians' Mutual,
Inc.
3101 Bardstown Road
Louisville, KY 40205

Blue Cross of Louisiana
10225 Florida Boulevard
Box 15699
Baton Rouge, LA 70815

Hospital Service Association of
New Orleans-BC
2026 St. Charles Avenue
New Orleans, LA 70130

Maine Blue Cross and Blue Shield
110 Free Street
Portland, ME 04101

Blue Cross of Maryland
700 E. Joppa Road
Box 9836
Towson, MD 21204

Blue Shield of Maryland, Inc.
700 E. Joppa Road
Towson, MD 21204

Blue Cross of Massachusetts
133 Federal Street
Boston, MA 02106

Blue Cross and Blue Shield of
South Carolina
I-20 East at Alpine Road
Columbia, SC 29219

Blue Cross of Western Iowa and South
Dakota
Third & Pierce Streets
Box 1677
Sioux City, IO 51102

South Dakota Medical Service,
Inc.
711 N. Lake Avenue
Sioux Falls, SD 57104

Blue Cross-Blue Shield of Tennessee
801 Pine Street
Chattanooga, TN 37402

Blue Cross and Blue Shield of Mississippi,
Inc.
530 E. Woodrow Wilson Drive
Box 1043
Jackson, MS 39205

Blue Cross of Kansas City
3637 Broadway
Box 169
Kansas City, MO 64141

Blue Cross Hospital Service, Inc. of Mis-
souri
1430 Olive Street
St. Louis, MO 63103

Blue Shield of Kansas City
3637 Broadway
Box 169
Kansas City, MO 64141

St. Louis Blue Shield
5775 Campus Parkway
Hazelwood, MO 63042

Blue Cross of Montana
3360 10th Avenue S.
Great Falls, MT 59405

Montana Physicians' Service - BS
404 Fuller Avenue
Box 1677
Helena, MT 59601

Blue Cross of Virginia
2015 Staples Mill Road
Box 27401
Richmond, VA 23279

Blue Cross of Southwestern Virginia
1212 Third Street, S.W.
Box 2770
Roanoke, VA 24001

Blue Shield of Virginia
2015 Staples Mill Road
Box 27401
Richmond, VA 23279

Blue Shield of Southwestern Virginia
1212 Third Street, S.W.
Box 2770
Roanoke, VA 24001

Kitsap Physicians' Service
820 Pacific Avenue
Box 339
Bremerton, WA 98310

Blue Cross Hospital Service,
Inc.
Commerce Square
Box 1343
Charleston, WV 23225

West Virginia Hospital Service,
Inc.
20th & Chapline Streets
Wheeling, WV 26003

Blue Shield of Southern West
Virginia, Inc.
Commerce Square
Box 1353
Charleston, WV 23235

Morgantown Medical-Surgical Service,
Inc.
265 High Street
Morgantown, WV 26505

West Virginia Medical Service
Inc.
20th & Chapline Streets
Box 6246
Wheeling, WV 26003

Associated Hospital Service, Inc.
4115 N. Teutonia Avenue
Box 2025
Milwaukee, WI 53201

Wisconsin Physicians' Service
330 E. Lakeside Street
Box 1109
Madison, WI 53701

Surgical Care, The Blue Shield
Plan of the Medical Society
of Milwaukee County
756 N. Milwaukee Street
Milwaukee, WI 53202

Blue Cross of Wyoming

Associated Hospitals, Inc.
401 Federal Street
Box 131
Bluefield, WV 24701

Parkersburg Hospital Service, Inc.
203 Union Trust Building
Box 1948
Parkersburg, WV 26101

Surgical Service, Inc.
Commercial Bank Building
Box 131
Bluefield, WV 24701

Medical-Surgical Service, Inc.
Union National Bank Building
Clarksburg, WV 26301

Memphis Hospital Service and Surgical
Association, Inc.
85 N. Danny Thomas Boulevard
Box 98
Memphis, TN 38101

Group Hospital Service, Inc.
Main at N. Central Expressway
Dallas, TX 75201

Group Life and Health Insurance Co.
Main at N. Central Expressway
Dallas, TX 75201

Blue Cross of Utah
2455 Parley's Way
Box 270
Salt Lake City, UT 84110

Blue Shield of Utah
2455 Parley's Way
Box 270
Salt Lake City, UT 84110

Blue Shield of Wyoming

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4020 House Avenue
Box 2266
Cheyenne, WY 82001

Genesee Valley Medical Care, Inc.
41 Chestnut Street
Rochester, NY 14647

Blue Shield of Central New York, Inc.
344 S. Warren Street
Syracuse, NY 13202

Medical and Surgical Care, Inc.
5 Hopper Street
Utica, NY 13501

Blue Cross and Blue Shield of
North Carolina
P. O. Box 2291
1830 Chapel Hill-Durham Blvd.
Durham, NC 27702

Blue Cross of North Dakota
301 S. Eighth Street
Fargo, ND 58102

Blue Shield of North Dakota
301 S. Eighth Street
Fargo, ND 58102

Blue Cross Hospital Plan, Inc.
201 Ninth Street, N.W.
Canton, OH 44702

Blue Cross of Southwest Ohio
1351 William Howard Taft Rd.
Cincinnati, OH 45206

Blue Cross of Northeast Ohio
2066 E. Ninth Street
Cleveland, OH 44115

Blue Cross of Central Ohio
174 E. Long Street
Columbus, OH 43215

Blue Cross of Lima, Ohio
7 Public Square

4020 House Avenue
Box 2266
Cheyenne, WY 82001

Medical Mutual of Cleveland,
Inc.
2060 E. Ninth Street
Cleveland, OH 41115

Ohio Medical Indemnity, Inc
6740 N. High Street
Worthington, OH 43085

Blue Cross and Blue Shield of Oklahoma
1215 S. Boulder Avenue
Box 3283
Tulsa, OK 74102

Blue Cross of Oregon
100 S.W. Market Street
Box 1271
Portland, OR 97207

Oregon Physicians' Service
619 S.W. 11th Avenue
Box 1071
Portland, OR 97207

Blue Cross of Lehigh Valley
1221 Hamilton Street
Allentown, PA 18102

Capital Blue Cross
100 Pine Street
Harrisburg, PA 17101

Blue Cross of Greater
Philadelphia
1333 Chestnut Street
Philadelphia, PA 19107

Blue Cross of Western
Pennsylvania
1 Smithfield Street
Pittsburg PA 15222

Blue Cross of Northeastern
Pennsylvania
15 S. Franklin Street
Wilkes-Barre, PA 18701

Pennsylvania Blue Shield
Blue Shield Building

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Box 1046
Lima, OH 45802

Camp Hill, PA 17011

Blue Cross of Northwest Ohio,
Inc.
3737 Sylvania Avenue
Box 943
Toledo, OH 43656

Blue Cross and Blue Shield of Rhode
Island
Box 1298
444 Westminster Mall
Providence, RI 02901

Blue Cross of Nebraska
Box 3248
Main P.O. Station
Omaha, NB 68103

Chautauqua Region Hospital
Service Corporation
306 Spring Street
Box 1119
Jamestown, NY 14701

Blue Shield of Nebraska
Box 3248
Main P.O. Station
Omaha, NB 68103

Associated Hospital Service
of New York
622 Third Avenue
New York, NY 10017

Nevada Blue Shield
3660 Baker Lane
Reno, NV 89502

Rochester Hospital Service
Corporation
41 Chestnut Street
Rochester, NY 14647

New Hampshire-Vermont Hospitaliza-
tion Service - BC
2 Pillsbury Street
Concord, NH 03301

Blue Cross of Central New York, Inc.
344 S. Warren Street
Box 271
Syracuse, NY 13201

New Hampshire-Vermont
Physicians' Service
2 Pillsbury Street
Concord, NH 03301

Hospital Plan, Inc.
5 Hopper Street
Utica, NY 13501

Hospital Service Plan of New Jersey - BC
33 Washington Street
Box 420
Newark, NJ 07101

Hospital Service Corporation of Jefferson
County
158 Stone Street
Watertown, NY 13601

Medical-Surgical Plan of New Jersey - BS
33 Washington Street
Newark, NJ 07102

Blue Shield of Northeastern New York,
Inc.
Box 8650
Albany, NY 12208

New Mexico Blue Cross and Blue Shield,
Inc.
12800 Indian School Road N.E.
Albuquerque, NM 87112

Blue Shield of Western New York, Inc.
298 Main Street
Buffalo, NY 14202

Blue Cross of Northeastern New York,
Inc.

Chautauqua Region Medical Service, Inc.

1251 New Scotland Road
Box 8650
Albany, NY 12208

306 Spring Street
Jamestown, NY 14701

Blue Cross of Western New York,
Inc.
298 Main Street
Buffalo, NY 14202

United Medical Service, Inc.
2 Park Avenue
New York, NY 10016

Blue Cross of Washington-
Alaska, Inc.
15700 Dayton Avenue, North
Seattle, WA 98133

California Physicians' Service
P. O. Box 7608
San Francisco, CA 94120

The Indiana State Medical
Association
3935 North Meridian Street
Indianapolis, IN 46208

Colorado Medical Service, Inc.
244 University Blvd.
Denver, CO 80206

Continental Service Life & Health Insur-
ance Company
Box 3397
5353 Florida Boulevard
Baton Rouge, LA 70821

Connecticut General Life Insurance
Company
Hartford, CT 06115

Blue Cross & Blue Shield of
Greater New York
622 3rd Avenue
New York, NY 10016

Medical Association of Georgia
938 Peachtree Street, N.E.
Atlanta, GA 30309

Missouri Medical Service
5775 Campus Parkway
Hazelwood, MO 63042

Mississippi State Medical
Association
735 Riverside Drive
Jackson, MS 39216

Washington Physicians' Service
220 West Harrison Street
Seattle, WA 98119

Medical-Surgical Care, Inc.
203 Union Trust Building
Box 1948
Parkersburg, WV 26101

New York Life Insurance Company
51 Madison Avenue
New York, NY 10010

Metropolitan Life Insurance
Company
1 Madison Avenue
New York, NY 10010

Prudential Insurance Company
of America
Prudential Plaza
Newark, NJ 07101

The Travelers Insurance Company
1 Tower Square
Hartford, CT 06115

Continental Assurance Company
CNA Plaza
Chicago, IL 60605

Aetna Life Insurance Company
151 Farmington Avenue
Hartford, CT 06115

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Bankers Life Company
711 High Street
Des Moines, IA 50307

Employers Life Insurance
Company of Wausau
2000 Westwood Drive
Wausau, WI 54401

Nationwide Life Insurance Company
246 North High Street
Columbus, OH 43216

Colonial Penn Life Insurance Company
5 Penn Center Plaza
Philadelphia, PA 19103

Equitable Life Assurance
Society of the U.S.
1285 Avenue of the Americas
New York, NY 10019

Firemen's Fund Insurance Company
3333 California Street
San Francisco, CA 94118

Reliance Insurance Group
4 Penn Center Plaza
Philadelphia, PA 19103

Zurich Life Insurance Company
111 West Jackson Boulevard
Chicago, IL 60604

Occidental Life Insurance Company of
California
Box 2101 Terminal Annex
Los Angeles, CA 90054

Mutual of Omaha Insurance Company
Dodge at 33rd Street
Omaha, NE 68131

Blue Shield of Massachusetts,
Inc.
133 Federal Street
Boston, MA 02106

Blue Cross of Eastern Ohio, Inc.
2400 Market Street
Youngstown, OH 44507

Nevada State Medical Association
3660 Baker Lane
Reno, NV 89502

IN THE MATTER OF
MATSUSHITA ELECTRIC CORPORATION OF AMERICA
CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket 9048. Complaint, July 22, 1975 — Decision, Mar. 4, 1977

Consent order requiring a Secaucus, N.J., manufacturer of bicycles, television and audio equipment, and major home appliances, among other things, to cease falsely or misleadingly referring to, or misrepresenting the results of tests, surveys and studies to support superiority claims for its consumer products.

Appearances

For the Commission: *Melvin H. Orlans* and *Cynthia L. Ingersoll*.
For the respondent: *Weil, Gotshal & Manges*, New York City and
Seth Waller and *James Katz*, in-house counsel.

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 Matsushita Electric Corporation of America, a corporation, 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 Matsushita Electric Corporation of America 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 1 Panasonic Way, Secaucus, New Jersey.

PAR. 2. Respondent is now and for some time has been engaged in the offering for sale, sale, and advertising of various consumer products, including color television receivers, which when sold are shipped to purchasers located in the various States of the United States. Thus respondent maintains, and at all times mentioned herein has maintained, a substantial course of trade in said consumer products in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 3. Respondent at all times mentioned herein has been, and now is, in substantial competition in commerce with individuals, firms and corporations engaged in the sale and distribution of consumer products of the same general kind and nature as those offered for sale, sold and advertised by respondent.

* Reported as modified by Commission order dated June 8, 1977.