

Modifying Order

91 F.T.C.

IN THE MATTER OF

XEROX CORPORATION

MODIFYING ORDER IN REGARD TO ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket 8909. Final Order, July 29, 1975 — Modifying Order, April 20, 1978*

This order modifies an order to cease and desist issued July 29, 1975, 40 FR 42203, 86 F.T.C. 364, by deleting the words "*in camera*" from Paragraph IV C.(9) thereof.

ORDER MODIFYING ORDER TO CEASE AND DESIST

On July 29, 1975, the Federal Trade Commission issued a consent order in the above-referenced matter. 86 F.T.C. 364 (1975).

Section 5(b) of the Federal Trade Commission Act provides that the Commission may at any time, after notice and opportunity for hearing, reopen and alter, modify or set aside, in whole or in part, any order issued by it, whenever in the opinion of the Commission conditions of fact or law have so changed as to require such action or if the public interest shall so require.

On January 19, 1978, the Commission issued its order to respondent to show cause why the Commission should not alter or modify the July 29, 1975 order so as to delete the words "*in camera*" from Paragraph IV C.(9) thereof.

On March 6, 1978, respondent filed an answer that did not oppose the proposed modification. Section 3.72(b)(3) of the Commission's Rules provides that if an order to show cause is not opposed the Commission may, in its discretion, decide the matter on the basis of that order and the answer thereto.

Accordingly, *it is ordered*, That the matter be reopened, and that Paragraph IV C.(9) of the order of July 29, 1975, be modified to read as follows:

If Xerox grants a license under *order patents* either pursuant to the terms of Paragraph II of this order or otherwise, the license agreement shall contain the irrevocable covenant of the licensee to license such of its *patents* as are licensed to Xerox on reasonable terms and conditions (including the license to itself of its licensees' *patents* or *improvement patents*) to any other person who is entitled to a license from Xerox pursuant to Paragraph II of this order, Provided That such license need not be effective prior to the effective date of the licensee's license to Xerox. Within 60 days following execution of a license agreement subject to this Paragraph IV C.(9) Xerox shall submit to

Complaint

IN THE MATTER OF

FIRESTONE PHOTOGRAPHS, INC., ET AL.

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

Docket C-2921. Complaint, April 20, 1978 — Decision, April 20, 1978

Consent order requiring a Columbus, Ohio, promoter and seller of photographic equipment and supply franchises, among other things, to cease misrepresenting its repurchase plan, potential profits, connection or affiliation with others, and the training and business assistance provided franchisees. The order further requires the firm to make full and timely disclosures and provide prescribed data regarding any cooling-off periods, cancellation and refund rights, and the financial history of both the corporation and previous franchisees. The firm is additionally required to maintain specific records and to institute a surveillance program designed to ensure compliance with the terms of the order.

Appearances

For the Commission: *Melvin H. Wolovits* and *Noble F. Jones*.

For the respondents: *Harris, Strip, Fargo, Schulman & Hoppers*,
Columbus, Ohio.

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 Firestone Photographs, Inc., a corporation, Firestone Photo Co., a corporation, and Daniel Firestone, individually and as an officer of said corporations, hereinafter sometimes referred to as respondents, have 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. For the purpose of this complaint and the Agreement Containing a Consent Order to Cease and Desist entered into by the Federal Trade Commission and respondents, the following definitions shall apply:

(1) The term "franchise" shall mean any continuing commercial relationship created by written agreement or understanding where:

(a) A person offers, sells or distributes goods or commodities manufactured, processed or distributed by respondent; and

(b) Respondent directly or impliedly represents, either orally or in writing, that it will assist such person in such person's organization,