

Modifying Order

95 F.T.C.

IN THE MATTER OF

SEARS, ROEBUCK AND CO., ET AL.

MODIFYING ORDER IN REGARD TO ALLEGED VIOLATION OF THE  
FEDERAL TRADE COMMISSION ACT*Docket 9104. Decision, April 28, 1980—Modifying Order, June 10, 1980*

This order modifies a previous order to cease and desist issued April 28, 1980, 95 F.T.C. 414, 45 FR 36372, against a Chicago, Ill. department store chain, by adding the terms "dehumidifiers" and "freezers" to the definition of "major home appliances" contained in order Paragraph I(1).

## ORDER CORRECTING INADVERTENT OMISSION FROM FINAL ORDER

By motion filed May 21, 1980, complaint counsel have requested that the Commission modify its final order in this matter to add the terms "dehumidifiers" and "freezers" to the definition of "major home appliances" contained in the order.

Complaint counsel are correct in their suggestion that the omission of these two terms from the order was inadvertent. At page 18 of the Commission's decision it indicated its desire to adopt the definition proposed by Judge Hanscom, with the omission of the catch-all provision ("and any other product that falls into the category of major home appliances") and with the addition of the terms "stoves" and "ovens". The final order appended to the decision omits mention of dehumidifiers and freezers, even though these were contained in Judge Hanscom's order as recited on page 17 of the Commission's decision. To correct this inadvertent omission, the final order will be modified. Therefore,

*It is ordered*, That Paragraph I(1) of the Final Order in this matter be modified to read:

"Major home appliance" means air conditioning units (room or built-in), clothes washers, clothes dryers, disposers, dishwashers, trash compactors, refrigerators, refrigerator/freezers, freezers, ranges, stoves, ovens (including microwave ovens), humidifiers, and dehumidifiers.

## IN THE MATTER OF

## GENERAL MOTORS CORPORATION, ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF SEC.  
5 OF THE FEDERAL TRADE COMMISSION ACT*Docket 9074. Complaint, Feb. 10, 1976—Decision, June 11, 1980*

This consent order requires, among other things, a Detroit, Mich. motor vehicle manufacturer (GM) to change its official accounting procedures for dealers, to include specified procedures for determining surpluses realized on repossessed vehicles; and stipulate to its dealers that such procedures must be observed. The order requires GM and its subsidiary, General Motors Acceptance Corporation (GMAC), to institute extensive training programs to familiarize dealers with their obligations in handling repossessed vehicles. Following such training, GM is required to conduct a series of field audits to ensure that surpluses are being calculated and paid in a prescribed manner. GMAC is further required to pay \$2 million to eligible consumers whose vehicles were repossessed by the company since May 1, 1974. Additionally, GMAC's post-repossession notices and other relevant documents must include accurate and complete information concerning the nature and duration of customers' rights to redemption and surpluses; and that bulletins be sent to dealers whose arrangements with the company did not call for "title clearance," advising them of their obligations to pay surpluses on repossessed vehicles.

*Appearances*

For the Commission: *Randall H. Brook, Dean A. Fournier, Ivan Orton, Sharon S. Armstrong, Gregory Colvin and Sarah Jane Hughes.*

For the respondents: *Otis M. Smith, Robert C. Weinbaum and Stephen P. Ormond, Detroit, Mich. and Patrick Leach, Weil, Gotshal & Manges, New York City, for respondent General Motors Corporation. Nancy L. Buc, Weil, Gotshal & Manges, Washington D.C., Carl D. Lobell, Weil, Gotshal & Manges, New York City and John J. Higgins, New York City, for respondent General Motors Acceptance Corporation. Robert C. St. Louis, Aiken, St. Louis & Siljeg, Seattle, Wash., for respondent Chuck Olson Chevrolet, Inc.*

## COMPLAINT

The Federal Trade Commission, having reason to believe that General Motors Corporation, General Motors Acceptance Corporation, and Chuck Olson Chevrolet, Inc., corporations, have violated the provisions of the Federal Trade Commission Act, as amended, and that a proceeding in respect thereof would be in the public interest, hereby issues this complaint.