

Modifying Order

100 F.T.C.

IN THE MATTER OF

GODFREY COMPANY

MODIFYING ORDER IN REGARD TO ALLEGED VIOLATION OF SEC. 5
OF THE FEDERAL TRADE COMMISSION ACT AND SEC. 7 OF THE
CLAYTON ACT

Docket C-3066. Final Order, May 14, 1981—Modifying Order, Sept. 28, 1982

This order reopens the proceeding and modifies the Commission's order issued on May 14, 1981 (97 F.T.C. 456) by modifying Paragraph I(G) of the order to relieve respondent from the obligation of divesting a specified retail grocery store.

ORDER MODIFYING CEASE AND DESIST ORDER ISSUED MAY 14, 1981

The Federal Trade Commission having considered respondent Godfrey Company's petition filed on July 8, 1982, to reopen this matter and to modify the consent order to cease and desist issued by the Commission on May 14, 1981, and having determined that reopening and modification of the order is warranted:

It is ordered That this matter be, and it hereby is reopened and that Paragraph I(G) of the Commission's order be and it is hereby modified to read as follows:

(G) The "disposition stores" means the following Godfrey ("G") stores and Jewel ("J") stores:

1. G-427 (3045 S. 13th St., Milwaukee, WI.);
2. G-810 (3939 S. 76th St., Milwaukee, WI.);
3. J-1201 (1201 N. 35th St., Milwaukee, WI.); and
4. J-729 (729 S. Layton Blvd., Milwaukee, WI.).

Complaint

IN THE MATTER OF
THOMAS L. BAKER, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT

Docket C-3095. Complaint, Sept. 28, 1982—Decision, Sept. 28, 1982

This consent order requires two San Diego, Calif. corporations to cease, among other things, misrepresenting or failing to disclose material facts regarding the purchase of gemstones as investments, or their liquidity. The respondents are prohibited from misrepresenting the source of graphs or charts used in promotional literature; failing to disclose the limitations associated with the certificates issued by the firms to accompany their gemstones; or representing that their price increases reflect general market increases. Respondents are required to disclose both orally and in writing, before the execution of any contract for the sale of gemstones, among other things, that gemstones are not as easy to sell as other investments; that there are risks involved in the purchase of colored gemstones; and that diamonds .04 to .60 carats may be difficult to resell. Further, respondents are required to comply with the FTC's Mail Order Merchandise Rule and ensure that all personnel receive a synopsis of the order. Additionally, American Diamond Company is exempted from making these disclosures only when the gemstones are sold as jewelry, but must disclose in writing on the sales agreement that jewelry is not sold for investment purposes.

Appearances

For the Commission: *Curtis Yee, David C. Fix and Robert D. Friedman.*

For the respondents: *Jeffrey L. Davidson, Davidson, Holmes and Anderson, Los Angeles, Calif.*

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 American Diamond Company, a corporation, Thomas L. Baker, Inc., a corporation also trading and doing business as American Diamond Company, and Thomas L. Baker, 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: