

IN THE MATTER OF

SANSUI ELECTRONICS CORPORATION

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

Docket C-2754. Consent Order, Oct. 24, 1975—Modifying Order, Aug. 1, 1983

This order reopens the proceeding and modifies the Commission's order issued on October 24, 1975 (86 F.T.C. 995) by modifying Paragraph I (11), so as to allow the company to impose nondiscriminatory standards on the kind of retailers its distributors and dealers can serve.

ORDER MODIFYING CEASE AND DESIST ORDER
ISSUED ON OCTOBER 24, 1975

By a petition filed on March 23, 1983, Sansui Electronics Corporation ("Sansui") requests that the Commission reopen the proceeding in Docket No. C-2754 and modify Paragraph I (11) of the order issued by the Commission on October 24, 1975 so that the order would no longer prohibit Sansui from restricting transshipment by sellers of its products. Pursuant to Section 2.51 of the Commission's Rules of Practice, Sansui's request was placed on the public record for comments. One comment was received.

On March 8, 1983, the Commission issued a modified order in *U.S. Pioneer Electronics Corporation*, Docket No. C-2755 [101 F.T.C. 372], allowing Pioneer (one of Sansui's competitors) to prevent transshipment of its products to dealers who do not meet reasonable, non-discriminatory standards of promotion, service and display. The *Pioneer* and *Sansui* orders contain most favored respondent clauses pursuant to which the Commission may modify the respective orders to bring them into conformity with less stringent restrictions imposed on the respondents' competitors.

In view of the Commission's action in *Pioneer* and upon consideration of Sansui's request and supporting materials, the Commission now finds that Sansui would likely suffer significant competitive injury unless the order is modified to conform to the *Pioneer* order in accordance with Sansui's request. Such modification would be in the public interest.

Accordingly,

It is ordered, That this matter be, and it hereby is, reopened and that Paragraph I (11) of the order in Docket No. C-2754 be modified to read as follows:

Preventing or prohibiting any independent dealer or distributor from reselling his products to any persons or group of persons, business or class of businesses, except as expressly provided herein. This order shall not prohibit respondent from establishing lawful, reasonable, and nondiscriminatory minimum standards for its dealers, including standards that relate to promotion and store display, demonstration, inventory levels, service and repair, volume requirements and financial stability, nor shall this order prohibit respondent from requiring its dealers who sell respondent's products for resale to make such sales only to dealers who maintain such minimum standards.

IN THE MATTER OF
THE COCA-COLA COMPANY

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

Docket C-3113. Complaint, Aug. 3, 1983—Decision, Aug. 3, 1983

This consent order requires a major soft drink manufacturer to timely divest Doric Foods Corporation to a Commission-approved buyer. Respondent is barred from acquiring any concern engaged in the manufacture of drinks, punches and ades, without prior Commission approval for a period of ten years.

Appearances

For the Commission: *Paul R. Zamolo and Bill W. Bourland.*

For the respondent: *Robert A. Keller*, in-house counsel, Atlanta, Ga.

COMPLAINT

Pursuant to the provisions of the Clayton Act and the Federal Trade Commission Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that The Coca-Cola Company, a corporation subject to the jurisdiction of the Commission, has violated Section 7 of the Clayton Act, as amended (15 U.S.C. 18), and Section 5 of the Federal Trade Commission Act, as amended (15 U.S.C. 45), 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:

1. For the purposes of this Complaint, *Coca-Cola* means The Coca-Cola Company, a Delaware corporation with its principal offices at 310 North Avenue, Atlanta, Georgia, as well as its directors, officers, agents and employees, and its divisions, subsidiaries, successors and assigns.

2. Respondent Coca-Cola is a Delaware corporation with its principal offices located at 310 North Avenue, N.W., Atlanta, Georgia.

3. Coca-Cola's total net sales for the year ending December 31, 1981, were approximately \$5.9 billion.

4. At all times relevant herein, Coca-Cola has engaged in activities in and affecting commerce as "commerce" is defined in Section 1 of the Clayton Act, as amended, and Section 4 of the Federal Trade Commission Act, as amended.