

IN THE MATTER OF

ENDICOTT-JOHNSON CORPORATION

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-1009. Consent Order, Oct. 29, 1965—Modifying Order, Nov. 17, 1983

On Nov. 17, 1983, the Federal Trade Commission modified the order issued against Endicott-Johnson Corp. on Oct. 29, 1965 (68 F.T.C. 842). The modification eliminates the provision which prohibited the company from acquiring any concern engaged in the manufacture and sale of footwear in the U.S. without prior Commission approval.

ORDER MODIFYING CEASE AND DESIST ORDER
ISSUED ON OCTOBER 29, 1965

On October 29, 1965, the Federal Trade Commission, pursuant to Section 5 of the Federal Trade Commission Act and Section 11 of the Clayton Act, issued the consent order in this case against Endicott-Johnson Corporation prohibiting, for a period of twenty years, acquisitions of certain firms engaged in the manufacture or sale of shoes or footwear in the United States or the District of Columbia, without prior approval of the Commission.

The Commission has determined that absent special circumstances an order provision that requires prior Commission approval of acquisitions by the respondent should not exceed ten years in duration. In most cases, the Commission believes that such prior approval provisions will have served their remedial and deterrent purposes after ten years and that the findings upon which such provisions are based should not be presumed to continue to exist for a longer period of time. The order in this case has been in effect for 17 years and the Commission has determined that no special circumstances warrant continued prior approval of respondent's acquisitions. The Commission therefore has determined that it would be in the public interest to modify its order in Docket No. C-1009 to provide that prior approval will not be required after October 31, 1983.

On October 7, 1983 the Commission issued an order to show cause why the order in Docket No. C-1009 should not be modified. The proposed modification was accepted by respondent.

Accordingly,

It is ordered, That this matter be, and it hereby is, reopened and that the order in Docket No. C-1009 be modified.

Modifying Order

102 F.T.C.

IN THE MATTER OF

TEAC CORPORATION OF AMERICA

MODIFYING ORDER IN REGARD TO ALLEGED VIOLATION OF SEC. 5 OF THE
FEDERAL TRADE COMMISSION ACT*Docket C-2752. Consent Order, Oct. 24, 1975—Modifying Order, Nov. 25, 1983*

The Federal Trade Commission has modified the order issued against TEAC Corporation of America on Oct. 24, 1975 (86 F.T.C. 981) to allow the company to prevent transshipment of its products to dealers who do not meet reasonable, non-discriminatory standards of promotion, service and display.

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

On October 24, 1975, the Federal Trade Commission ("Commission") issued an order against TEAC Corporation of America ("TEAC") in Docket No. C-2752, 86 F.T.C. 981 (1975), prohibiting TEAC from, among other things, restricting or limiting in any manner the customers or classes of customers to whom dealers may sell TEAC's products.

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 TEAC's competitors) to prevent transshipment of its products to dealers who do not meet reasonable, non-discriminatory standards of promotion, service and display. The initial *Pioneer* order contained the same provisions that are contained in the TEAC order. Both orders contain a most favored respondent clause pursuant to which the Commission may modify the respective orders in order to bring them into conformity with less stringent restrictions imposed on the respondents' competitors.

On August 1, 1983, the Commission issued an order to show cause why the proceeding in Docket No. C-2752 should not be reopened to modify Paragraph I(11) of the order in this case 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 non-discriminatory 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.