

IN THE MATTER OF

DETROIT AUTO DEALERS ASSOCIATION, INC., ET AL.

Docket 9189. Interlocutory Order Sept. 28, 1993

ORDER

Counsel for the Ford Motor and Volkswagen respondents have moved that the complaint against three respondents be dismissed and their names be removed from the order of February 22, 1989. The assets of Sterling Motors, Inc. were sold, and the dealership franchise was terminated. The sale was to an unrelated buyer, and the sellers retained no interest in the dealership or assets. One individual respondent, William Hickey, is deceased. McAlister Motors, Inc. operated a Volkswagen and Toyota dealership. The Volkswagen franchise was abandoned and terminated. The Toyota assets and Toyota franchise, however, were sold to Audette Toyota. Complaint counsel do not oppose the motion.

The Commission has considered the motion and determined to grant it as to Mr. Hickey and Sterling Motors, Inc. Accordingly,

It is ordered, That the complaint against Mr. Hickey and Sterling Motors, Inc. be and hereby is dismissed.

It is further ordered, That the order of February 22, 1989, of the Commission be and hereby is modified to delete their names.

It is further ordered, That respondent McAlister Motors, Inc. be and hereby is directed to file further information concerning whether Audette Toyota is a successor or assign within the meaning of the definition of a "Dealership and Individual Respondent" in the order of February 22, 1989.

IN THE MATTER OF
SYNCHRONAL CORPORATION, ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF THE
POSTAL REORGANIZATION ACT AND SECS. 5 AND 12 OF
THE FEDERAL TRADE COMMISSION ACT

Docket 9251. Complaint, Oct. 28, 1991--Decision, Oct. 1, 1993

This consent order prohibits, among other things, a New York-based infomercial company, two of its former officers, and several other respondents from making any unsubstantiated claims for a number of different types of products; from disseminating the two infomercials for a purported baldness cure and a cellulite treatment; and from misrepresenting the results of any tests or studies used for marketing any product or service. In addition, the consent order requires Synchronal to pay \$3.5 million into a consumer redress fund, and requires Ira Smolev, a former officer, to maintain a \$500,000 escrow account before advertising various consumer products.

Appearances

For the Commission: *Richard Cleland, Michael J. Bloom and Lesley Fair.*

For the respondents: *William Wachtel*, in-house counsel for Synchronal Corporation, New York, N.Y. *Michael Lasky, Davis & Gilbert*, New York, N.Y. and *Helene Jaffe, Weil, Gotshal & Manges*, New York, N.Y.

COMPLAINT

The Federal Trade Commission, having reason to believe that Synchronal Corporation, Synchronal Group, Inc., Smoothline Corporation, and Omexin Corporation, corporations; Ira Smolev, individually and as a former officer and director of Synchronal Corporation and Synchronal Group, Inc.; Richard E. Kaylor, individually and as an officer and director of Synchronal Corporation, Synchronal Group, Inc., Smoothline Corporation, and