

IN THE MATTER OF

GEORGETOWN PUBLISHING HOUSE LIMITED PARTNERSHIP, ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT*Docket C-3692. Complaint, Nov. 19, 1996--Decision, Nov. 19, 1996*

This consent order prohibits, among other things, the Washington, D.C.-based publishing firms from misrepresenting that any advertisement is an independent review or article, or that it is not a paid advertisement.

Appearances

For the Commission: *Joel Winston and Lesley Anne Fair.*
For the respondents: *Pro se*, Washington, D.C.

COMPLAINT

The Federal Trade Commission, having reason to believe that Georgetown Publishing House Limited Partnership, a limited partnership, Georgetown Publishing House, Inc., a corporation, and Daniel Levinas, an officer of said corporation ("respondents"), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, alleges:

PARAGRAPH 1. Respondent Georgetown Publishing House Limited Partnership is a District of Columbia limited partnership with its principal office or place of business at 1101 30th Street, N.W., Washington, D.C.

Respondent Georgetown Publishing House, Inc., is a District of Columbia corporation with its principal office or place of business at 1101 30th Street, N.W., Washington, D.C. Georgetown Publishing House, Inc., is General Partner of Georgetown Publishing House Limited Partnership.

Respondent Daniel Levinas is an officer of Georgetown Publishing House, Inc. Individually or in concert with others, he formulates, directs, and controls the policies, acts and practices of Georgetown Publishing House, Inc., including the acts and practices

alleged in this complaint. His principal office or place of business is 1101 30th Street, N.W., Washington, D.C.

PAR. 2. Respondents have advertised, offered for sale, sold, and distributed books, including "The American Speaker: Your Guide to Successful Speaking," to the public.

PAR. 3. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

PAR. 4. Respondents have disseminated or have caused to be disseminated advertisements and promotional materials for "The American Speaker: Your Guide to Successful Speaking," including but not necessarily limited to the attached Exhibit A, entitled "Applause, Applause." Exhibit A, a print advertisement, was disseminated by respondents via direct mail to consumers. It appears to be a review of the book "The American Speaker: Your Guide to Successful Speaking." The advertisement is printed on glossy stock that has been ripped along the left edge. The page is headed with the word "REVIEW" and includes the byline "By Leah Thayer." On the bottom of the page is the date "NOVEMBER 1994." The advertisement bears the page numbers 17 and 18. On the reverse side of the page is the carry-over conclusion of an unrelated article that begins "(continued from page 12)." Affixed to the advertisement is a small stick-on paper with the handwritten note:

[Recipient's name],
Try this
It works!
J.

PAR. 5. Through the use of the statements and depictions contained in the advertisements referred to in paragraph four, including but not necessarily limited to the advertisement attached as Exhibit A, respondents have represented, directly or by implication, that "Applause, Applause" is a book review written by an independent journalist or reviewer, containing the independent opinions of the journalist or reviewer, and was disseminated in a magazine or other independent publication.

PAR. 6. In truth and in fact, "Applause, Applause" is not a book review written by an independent journalist or reviewer, does not contain the independent opinions of a journalist or reviewer, and was not disseminated in a magazine or other independent publication.

"Applause, Applause" is an advertisement written and disseminated by respondents for the purpose of selling the book, "The American Speaker: Your Guide to Successful Speaking." Therefore, the representation set forth in paragraph five was, and is, false and misleading.

PAR. 7. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

EXHIBIT A

REVIEW

Applause, Applause

Anyone can win over a tough audie
speechwriter. Just ask Lee Iacocca.

By Leah Thayer

American
Speaker

THE AMERICAN SPEAKER
Your Guide to Successful Speaking
Aram Bakshian, Jr., Editor
600 pages
Georgetown Publishing House

assured mar
NBC News

No less
principally
contemporary example is Lee Iacocca, who saved the
Chrysler Corporation by using his enormous talent as a
speaker to win the support of the Congress, the White House
and the American people for the biggest corporate bailout in
history. Iacocca himself attributes his business success to
speaking. In his autobiography, he writes: "I've seen a lot of
guys who are smarter than I am and a lot who know more
about cars. And yet I've lost them in the smoke. Why?
Because I'm tough? No... You've got to know how to talk to
them, plain and simple."

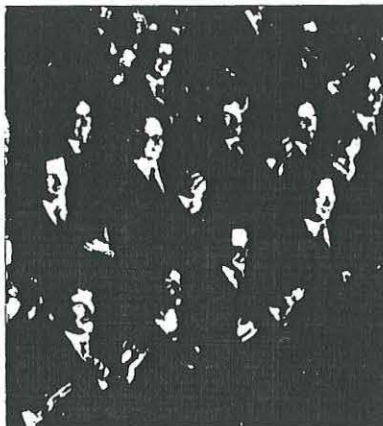
Matthew,
try this.
It works!
J.

THE DIFFERENCE BETWEEN SUCCESS AND
failure, writes Aram Bakshian, Jr., in this remarkable
new resource for public speakers, is the ability to com-
municate clearly and effectively. Never has this been more
true than in today's intensely
competitive business climate.

Bakshian should know.
Speechwriter to "The Great
Communicator" himself, Ron-
ald Reagan, as well as to two
other former presidents and the
heads of several major corpora-
tions, Bakshian has witnessed
the rise and fall of international
leaders based on their ease — or
lack of ease — on the podium.
Anyone can master the art of
speaking in public, Bakshian
says. "In the last analysis, the
spoken word is still king."

Fear and loathing of the rub-
ber chicken circuit have long
plagued public figures. "No one
knows how I hate making
speeches," President Calvin
Coolidge once complained to a
friend. Veteran television com-
mentator John Chancellor, who
has seen Hayes and Jose Ferrer

great Sir Alec Guinness
suffer from stage fright. Barbra Streisand sings "like
a frightened mouse" before
audiences terrified by her
impediment before singing the comfortable.



The chairmen of Fortune 500 companies like Coca-Cola, IBM
and General Motors make more speeches in a year than most
politicians do. And not just on television. They speak all the time
in the workplace and to colleagues, customers and the media.

sensitive boardroom presentation, speech keeps the wheels of
commerce turning." In making a first impression, for
instance, "Your appearance can raise expectations, but what

Bakshian tackles head-on
the challenges of public speak-
ing in *AMERICAN SPEAKER*. "As-
with alcoholism," he writes,
"there is no known cure for stage
fright. You're either a chronic
sufferer or a recovering sufferer."
In either case, it's easy to
minimize that suffering — or
even turn it into an advantage,
as he deftly outlines. Bakshian
quotes Carroll O'Connor, the
legendary "Archie Bunker"
professional actor has a kind of
tension," says the veteran actor.
"The amateur is thrown by it,
but the professional needs it."

The ability to speak well in
public is the most important
skill any political or business
leader can have, says Bakshian.

The simple biggest rhetori-
cal arena, in fact, "is the world
of business. From the simplest
retail sales spiels to the most
sensitive boardroom presentation, speech keeps the wheels of
commerce turning." In making a first impression, for
instance, "Your appearance can raise expectations, but what

EXHIBIT A

you say and how you say it will determine how people evaluate you." Good speaking also is the key to leadership. "Whether your forum is a corporate boardroom or a PTA meeting, your degree of speaking skill will determine to a great extent how seriously people take your ideas and whether they'll follow your lead." Plus, a good speaker is always in demand. At events from business conventions to weddings, "a good speaker not only adds to the occasion, he also benefits from 'free advertising' that adds to his stature in the community and attracts future business," Bakshian argues.

Unusual for a book or periodical of any kind, *AMERICAN SPEAKER* is more of a personal mentor — a do-it-yourself guide designed to save hours or days of preparation time, or, conversely, an enormous bill from a professional speech-writer or "coach."

It's a clever, accessible concept: a three-ring binder crammed with hundreds of pages of material on every imaginable aspect of public address: finessing your body language, delivering an inspiring eulogy, antidotes to nervousness, using humor, developing a powerful speaking voice, or engaging the audience in a positive question-and-answer session. Bakshian leaves few questions unanswered. He offers sensible, uplifting advice for every occasion, from the Thanksgiving toast to a defense of your industry before a hostile audience.

Arranged alphabetically, *AMERICAN SPEAKER* is easy to navigate, highly entertaining and loaded with good ideas. In the calendars section, for instance, Bakshian compiles thousands of speech pegs for every day of the year in three calendars: famous birthdays, today in history and the months at a glance. "Every audience gathered to share a common interest

or celebrate a specific occasion has a built-in common bond," Bakshian writes. "A good speaker doesn't just know this; a good speaker takes advantage of it." He demonstrates how a shared reference can warm up the audience, for example, draw a favorable analogy or build a bridge from past to present.

What about actual speeches themselves? They're all over *AMERICAN SPEAKER*. A section on acceptance speeches includes as an example Winston Churchill's masterful appearance before Parliament in 1954, on the occasion of his 80th birthday. To illustrate the business address, Bakshian quotes nine speeches that used humor and anecdote to deliver serious messages to several very different audiences. In the Education section, Bakshian shows how cartoonist Gary Trudeau hilariously (but nonmaliciously) defused the "political correctness" time bomb in speaking to a graduating class at Yale University. And so on.

But here's what really makes *AMERICAN SPEAKER* stand out from the crowd of business publications. In addition to the basic 600-page volume, readers also receive timely updates, transcripts of recent, powerful speeches and a free consulting service with Bakshian, to resolve those last-minute speaking challenges. Best of all, the entire package is guaranteed. Review *AMERICAN SPEAKER* for 30 days. If it doesn't meet your expectations, return it to Georgetown Publishing House for a complete refund.

Few professionals can afford to ignore a promise like that. *AMERICAN SPEAKER* (\$297, including bimonthly updates) is not available in any bookstore. Copies are available only from Georgetown Publishing House, 1101 30th St., N.W., Dept. SDK105, Washington, DC 20007. Or call 800-915-0022. Fax 202-337-1512. ■

(Continued from page 12)

PepsiCo, Ralph Lauren, Miller Beer, Coca-Cola and others employ this unorthodox marketing device.

In-person house calls will continue to proliferate. In the years ahead, however, businesses that can save money by conducting transactions electronically will hit the digital road.

Peapod (415-929-1600) produces software that lets shoppers order groceries via PCs. US Order (703-834-9480) makes ScanFone, which electronically orders groceries, pays bills and accesses bank accounts. All varieties of business, from television networks to clothing retailers, will reach consumers at home via the data superhighway.

Nomadic, high-tech life-styles will prompt a surge in products that are flexible, portable and compatible in different settings. Designers of everything from homes to packages will adopt a new mantra: "Ease of use."

High-tech systems will become increasingly universal. Japanese giant NEC redefined versatility with the UltraLite Versa notebook computer, introduced last April. Users can snap in every major component for home, office or travel use: remove disk drives; upgrade memory cards; and carry the

whole thing in one hand. Apple Computer, aiming to reduce its isolation in the PC world, is on a parallel track. Its new Macintosh computer runs both Mac and IBM-compatible software.

Fixed systems — or even unwieldy ones — will become history. More electronic products will join laptop computers and pocket phones in linking mobile professionals with the comfort of home and office. As living spaces become smaller, designers will churn out more foldable products, as they've done with infant carriers and wheelchairs.

High quality at a disposable price will be available in new devices modeled on the single-use camera concept. Remote-controlled devices also will proliferate. General Motors' new mini-van, with an optional remote control for its side-passenger door, may spark a revolution among other automakers focusing on the family market.

One last note on the ubiquitous-change theme: Companies that mean it — that truly want to succeed and grow in a world unlike that of the '70s or '80s — must ditch their vertical hierarchies and welcome new sources of strategies and leadership. Three sources surge with power: shareholders, support staff and customers. ■

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Act, and that a complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and having duly considered the comments received, now in further conformity with the procedure prescribed in Section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Georgetown Publishing House Limited Partnership is a limited partnership organized, existing and doing business under and by virtue of the laws of the District of Columbia, with its office and principal place of business at 1101 30th Street, N.W., Washington, D.C.

Respondent Georgetown Publishing House, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the District of Columbia, with its office and principal place of business at 1101 30th Street, N.W., Washington, D.C.

Respondent Daniel Levinas is an officer of Georgetown Publishing House, Inc. He formulates, directs, and controls the

policies, acts and practices of said corporation, and his office and principal place of business is located at the above stated address.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

I.

It is ordered, That respondents Georgetown Publishing House Limited Partnership, a limited partnership, and its successors and assigns; Georgetown Publishing House, a corporation, its successors and assigns, and its officers; and Daniel Levinas, individually and as an officer of said corporation; and respondents' agents, representatives, and employees, directly or through any corporation, subsidiary, division or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any product in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Misrepresenting, directly or indirectly, that such product has been independently reviewed or evaluated;

B. Misrepresenting, directly or indirectly, that an advertisement is an independent review or article or is not a paid advertisement.

II.

It is further ordered, That respondents Georgetown Publishing House Limited Partnership and Georgetown Publishing House, Inc., their successors and assigns, shall for a period of five (5) years from the date of entry of this order maintain and make available to the Federal Trade Commission, within seven (7) business days of the date of the receipt of a written request, business records demonstrating compliance with the terms and provisions of this order.

III.

It is further ordered, That respondents Georgetown Publishing House Limited Partnership and Georgetown Publishing House, Inc., their successors and assigns, shall:

A. Within thirty (30) days after service of this order, provide a copy of this order to each of its current principals, officers, directors, and managers, and to all personnel, agents, and representatives having sales, advertising, or policy responsibility with respect to the subject matter of this order; and

B. For a period of ten (10) years from the date of entry of this order, provide a copy of this order to each of its future principals, officers, directors, and managers, and to all personnel, agents, and representatives having sales, advertising, or policy responsibility with respect to the subject matter of this order within three (3) days after the person commences his or her responsibilities.

IV.

It is further ordered, That respondents Georgetown Publishing House Limited Partnership and Georgetown Publishing House, Inc., their successors and assigns, shall notify the Federal Trade Commission at least thirty (30) days prior to any proposed change in structure, including but not limited to dissolution, assignment, or sale resulting in the emergence of a successor corporation or partnership, the creation or dissolution of subsidiaries or affiliates, the planned filing of a bankruptcy petition, or any other change in the corporation or partnership that may affect compliance obligations arising out of this order.

V.

It is further ordered, That respondent Daniel Levinas shall, for a period of five (5) years from the date of entry of this order, notify the Commission within thirty (30) days of the discontinuance of his present business or employment and of his affiliation with any new business or employment which involves the sale of consumer products. Each notice of affiliation with any new business or employment shall include the respondent's new business address and telephone number, current home address, and a statement describing the nature of the business or employment and his duties and responsibilities.

VI.

It is further ordered, That this order will terminate on November 19, 2016, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years;

B. This order's application to any respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

VII.

It is further ordered, That respondents shall, within sixty (60) days after service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

IN THE MATTER OF

HALE PRODUCTS, INC.

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

Docket C-3694. Complaint, Nov. 22, 1996--Decision, Nov. 22, 1996

This consent order prohibits, among other things, the Pennsylvania-based manufacturer of fire truck-mounted fire pumps from entering into, continuing or enforcing any requirement that fire truck manufacturers refrain from purchasing mid-ship mounted fire pumps from any company, or that any purchaser sell only the relevant respondent's pumps. In addition, the respondent is required to send a specifically-worded notice to fire truck manufacturers stating that it has entered into an agreement with the Commission concerning the sale and installation of fire pumps.

Appearances

For the Commission: *William Baer and Mark Whitener.*

For the respondent: *James F. Rill, Collier, Shannon, Rill & Scott,*
Washington, D.C.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. 41 *et seq.*, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Hale Products, Inc. (sometimes referred to as "Hale Products" or "respondent"), has violated Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. 45, and that a proceeding by it in respect thereof would be in the public interest, hereby issues this complaint stating its charges as follows:

1. For the purposes of this complaint, the following definitions shall apply:

a. *"Mid-Ship Mounted Fire Pumps"* are truck mounted fire pumps that meet the National Fire Protection Association Standard for Pumper Fire Apparatus known as "NFPA 1901."

b. *"OEM's"* [sic] are original equipment manufacturers who buy and install Mid-Ship Mounted Fire Pumps, as well as many other