

Complaint

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FINAL ORDER

This matter having been heard by the Commission upon respondent's appeal from the hearing examiner's initial decision, and upon briefs in support thereof and in opposition thereto, and the Commission having rendered its decision denying the appeal:

It is ordered, That the initial decision of the hearing examiner be, and it hereby is, adopted as the decision of the Commission.

It is further ordered, That respondent, Exquisite Form Brassiere, Inc., shall, within sixty (60) days after service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist.

Commissioner Tait dissenting in part.

IN THE MATTER OF

E & J CORPORATION TRADING AS CITY AUTO SALES
ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket 7911. Complaint, June 3, 1960—Decision, Oct. 31, 1960

Consent order requiring used car dealers in Washington, D.C., to cease misrepresenting down payments, monthly terms, and guarantees on their used cars, made by such typical statements in newspaper and radio advertising as "1.00 Down", "No Money Down As Low as \$15 Per Mo.", "All Cars Guaranteed".

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 E & J Corporation, a corporation trading as City Auto Sales, and Arthur J. Bisogne, also known as Sonny Bisogne, individually and as an officer of said corporation, hereinafter 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:

PARAGRAPH 1. Respondent E & J Corporation, is a corporation organized and existing under and by virtue of the laws of the Dis-

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trict of Columbia. Its office and principal place of business is located at 401 Massachusetts Avenue, N.W., Washington, D.C. Said corporation trades under the name of City Auto Sales.

Respondent Arthur J. Bisogne, also known as Sonny Bisogne, is an officer and the principal stockholder of the respondent corporation. He formulates, directs and controls the acts and practices of the corporate respondent, as hereinafter set forth. His business address is the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of used automobiles in the District of Columbia. Their volume of business is substantial.

PAR. 3. In the course and conduct of their business, and for the purpose of inducing the sale of their used automobiles, respondents have made certain statements in newspapers published in the District of Columbia, and in radio broadcasts emanating from the District of Columbia, concerning their said automobiles and their method of doing business. Typical, but not all inclusive, of said statements are the following:

\$1.00 Down

No Money Down on Approved Credit

\$25 Down is all you Need to Ride

No Money Down As Low as \$15 Per Mo.

As Low as \$5.00 Down

All Cars Guaranteed

Drive Today! Nothing Down. Ride Today . . . No Money Needed!

Name Your Own Terms on a Guaranteed Automobile Delivered to You This Very Day, with Little or No Money Down. . . .

PAR. 4. Through the use of the aforesaid statements, respondents represent:

(a) That they sell used automobiles on credit accounts, with little or no down payment.

(b) That their cars are guaranteed.

PAR. 5. Said statements and representations are false, misleading and deceptive. In truth and in fact:

(a) Respondents do not sell used cars on credit, with little or no down payment. When a minimum or token sum is accepted by the respondents in connection with a car order or bill of sale, it is not, in fact, a down payment but is received for the purpose of providing a consideration for a contract of purchase. Frequently, purchasers of respondents' used cars are required to contract for small loans, mostly with sources outside of the District of Columbia, in order to meet respondents' down payment requirements, in addi-

tion to installment financing. The represented low monthly payments do not include said small loan charges.

(b) Respondents, in most instances, sell their used cars "as is", and no guarantee or warranty is made. In fact, a provision is incorporated in each car order and bill of sale to that effect. In those cases where a purported guarantee or warranty is made, it is limited in nature and the limitations are not fully disclosed.

PAR. 6. In the conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of used automobiles.

PAR. 7. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were, and are, true and into the purchase of a substantial number of respondents' used automobiles by reason of said erroneous and mistaken belief. As a consequence thereof, substantial trade in commerce has been, and is being, unfairly diverted to respondents from their competitors and substantial injury has thereby been, and is being, done to competition in commerce.

PAR. 8. The aforesaid acts and practices of respondents, as herein alleged, were, and are, all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair and deceptive acts and practices and unfair methods of competition, in commerce, within the intent and meaning of the Federal Trade Commission Act.

Mr. Ames W. Williams and *Mr. Michael P. Hughes* for the Commission.

Mr. Ralph H. Deckelbaum, of Washington, D.C., for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents, who are engaged in the advertising, offering for sale, sale and distribution of used automobiles in the District of Columbia, with violation of the Federal Trade Commission Act, in that respondents have made certain false, misleading and deceptive statements in newspapers published in the District of Columbia, and in radio broadcasts emanating from the District of Columbia, concerning their said automobiles and their method of doing business.

After the issuance of the complaint, respondents, their counsel, and counsel supporting the complaint entered into an agreement

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containing consent order to cease and desist, which was approved by the Director, Associate Director, and Acting Assistant Director of the Commission's Bureau of Litigation, and thereafter transmitted to the Hearing Examiner for consideration.

The agreement states that respondent E & J Corporation is a corporation organized and existing under and by virtue of the laws of the District of Columbia, with its office and principal place of business located at 401 Massachusetts Avenue, N.W., Washington, D.C.; that said corporation trades under the name of City Auto Sales; and that respondent Arthur J. Bisogne, also known as Sonny Bisogne, is an officer and the principal stockholder of the respondent corporation, his business address being the same as that of the corporate respondent.

The agreement provides, among other things, that respondents admit all the jurisdictional facts alleged in the complaint, and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this agreement; that the agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission; that the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; that the agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondents waive any further procedural steps before the Hearing Examiner and the Commission, the making of findings of fact or conclusions of law, and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The Hearing Examiner has determined that the aforesaid agreement containing the consent order to cease and desist provides for an appropriate disposition of this proceeding in the public interest, and such agreement is hereby accepted. Therefore,

It is ordered. That respondents E & J Corporation, a corporation, trading as City Auto Sales, or under any other name, and its officers, and Arthur J. Bisogne, also known as Sonny Bisogne, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any cor-

porate or other device, in connection with the offering for sale, sale or distribution of used automobiles in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication, that:

1. Their used automobiles can be purchased with a minimum down payment of one dollar or any other amount not in accord with the facts;

2. Their used automobiles are guaranteed when no guarantee is given to the purchaser;

3. Their used automobiles are guaranteed unless the nature and extent of the guarantee and the manner in which the guarantor will perform thereunder are clearly and truthfully set forth:

4. Terms as low as \$15.00 per month or any other amount per month are available to purchasers, unless such is the fact.

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

The hearing examiner on August 31, 1960, having filed an initial decision in this proceeding wherein he accepted an agreement containing a consent order theretofore executed by the respondents and counsel in support of the complaint, and entered an order to cease and desist in conformity with said agreement; and

The Commission by order entered October 12, 1960, having extended until further order the date on which the initial decision otherwise would have become the decision of the Commission, and having now determined that said initial decision is adequate and appropriate to dispose of this matter:

It is ordered, That the hearing examiner's initial decision be, and it hereby is, adopted as the decision of the Commission.

It is further ordered, That the respondents, E & J Corporation, a corporation, and Arthur J. Bisogne, also known as Sonny Bisogne, individually and as an officer of said corporation, shall, within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with the order contained in the aforesaid initial decision.

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IN THE MATTER OF

TRIUMPH RECORDS, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 7964. Complaint, June 22, 1960—Decision, Nov. 3, 1960*

Consent order requiring New York City manufacturers of phonograph records to cease giving concealed "payola" to disc jockeys and other personnel of radio and television programs to induce frequent playing of their records in order to increase sales.

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 Triumph Records, Inc., a corporation, and Herbert C. Abramson, individually and as an officer of said corporation, hereinafter 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:

PARAGRAPH 1. Respondent Triumph Records, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at 54 West 74th Street, New York, New York.

Respondent Herbert C. Abramson is president of the corporate respondent, and formulates, directs and controls the acts and practices of said corporate respondent. The address of the individual respondent is the same as that of said corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the manufacture, distribution and sale of phonograph records to independent distributors for resale to retail outlets in various states of the United States.

In the course and conduct of their business, respondents now cause, and for some time last past have caused, the records they manufacture, sell and distribute to be shipped from their place of business in the State of New York, to purchasers thereof located in various other states of the United States, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in phonograph records in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 3. In the course and conduct of their business, at all times mentioned herein, respondents have been, and are now, in substantial competition, in commerce, with corporations, firms and individuals in the manufacture, sale and distribution of phonograph records.

PAR. 4. After World War II, when television and radio stations shifted from "live" to recorded performances for much of their programming, the production, distribution and sale of phonograph records emerged as an important factor in the musical industry, with a sales volume of approximately \$400,000,000 in 1958.

Record manufacturing companies and distributors ascertained that popular disk jockeys could, by "exposure" or the playing of a record day after day, sometimes as high as six to ten times a day, substantially increase the sale of those records so "exposed." Some record manufacturers and distributors obtained and insured the "exposure" of certain records in which they were financially interested by disbursing "payola" to individuals authorized to select and "expose" records for both radio and television programs.

"Payola", among other things, is the payment of money or other valuable consideration to disk jockeys of musical programs on radio and television stations to induce, stimulate or motivate the disk jockeys to select, broadcast, "expose" and promote certain records in which the payer has a financial interest.

Disk jockeys, in consideration of their receiving the payments heretofore described, either directly or by implication represent to their listening public that the records "exposed" on their broadcasts have been selected on their personal evaluation of each record's merits or its general popularity with the public, whereas, in truth and in fact, one of the principal reasons or motivations guaranteeing the record's "exposure" is the "payola" payoff.

PAR. 5. In the course and conduct of their business, in commerce, the respondents have engaged in unfair and deceptive acts and practices and unfair methods of competition in the following respects.

The respondents negotiated for and disbursed "payola" to disk jockeys broadcasting musical programs over radio or television stations broadcasting across state lines.

Deception is inherent in "payola" inasmuch as it involves the payment of a consideration on the express or implied understanding that the disk jockey will conceal, withhold or camouflage such fact from the listening public.

The respondents have aided and abetted the deception of the public by various disk jockeys by controlling or unduly influencing the

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"exposure" of records by said disk jockeys with the payment of money or other consideration to them.

Thus, "payola" is used by the respondents to mislead the public into believing that the records "exposed" were the independent and unbiased selections of the disk jockeys based either on each record's merit or public popularity. This deception of the public has the capacity and tendency to cause the public to purchase the "exposed" records which they otherwise might not have purchased and, also, to enhance the popularity of the "exposed" records in various popularity polls, which in turn has the capacity and tendency to substantially increase the sales of the "exposed" records.

PAR. 6. The aforesaid acts, practices and methods have the capacity and tendency to mislead and deceive the public, and to hinder, restrain and suppress competition in the manufacture, sale and distribution of phonograph records, and to divert trade unfairly to the respondents from their competitors, and substantial injury has thereby been done and may continue to be done to competition in commerce.

PAR. 7. The aforesaid acts and practices of respondents, as alleged herein, were and are all to the prejudice and injury of the public and of respondents' competitors and constitute unfair and deceptive acts and practices and unfair methods of competition in commerce within the intent and meaning of the Federal Trade Commission Act.

Mr. John T. Walker for the Commission.

Respondents, for themselves.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents, who are engaged in the manufacture, distribution and sale of phonograph records to independent distributors for resale to retail outlets in various states of the United States, with violation of the Federal Trade Commission Act, in that respondents have negotiated for and disbursed "payola", i.e., the payment of money or other valuable consideration to disk jockeys of musical programs on radio and television stations, to induce, stimulate or motivate the disk jockeys to select, broadcast, "expose" and promote certain records, in which respondents are financially interested on the express or implied understanding that the disk jockeys will conceal, withhold or camouflage the fact of such payment from the listening public.

After the issuance of the complaint, respondents and counsel supporting the complaint entered into an agreement containing consent order to cease and desist, which was approved by the Director,

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Associate Director and Assistant Director of the Commission's Bureau of Litigation, and thereafter transmitted to the Hearing Examiner for consideration.

The agreement states that respondent Triumph Records, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business formerly located at 54 West 74th Street, New York, N.Y., and presently located at 300 Central Park West, New York, N.Y.; and that respondent Herbert C. Abramson is president of the corporate respondent, and formulates, directs and controls the acts and practices of said corporate respondent, his address being the same as the present address of said corporate respondent.

The agreement provides, among other things, that respondents admit all the jurisdictional facts alleged in the complaint, and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this agreement; that the agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission; that the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; that the agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondents waive any further procedural steps before the Hearing Examiner and the Commission, the making of findings of fact or conclusions of law, and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The Hearing Examiner has determined that the aforesaid agreement containing the consent order to cease and desist provides for an appropriate disposition of this proceeding in the public interest, and such agreement is hereby accepted. Therefore,

It is ordered, That respondents Triumph Records, Inc., a corporation, and its officers, and Herbert C. Abramson, individually, and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with phonograph records which have been distributed in commerce, or which are used by radio or television

stations in broadcasting programs in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, to induce that person to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or either of them, have a financial interest of any nature;

(2) Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, as an inducement to influence any employee of a radio or television broadcasting station, or any other person, in any manner, to select, or participate in the selection of, and the broadcasting of, any such records in which respondents, or either of them, have a financial interest of any nature.

There shall be "public disclosure" within the meaning of this order, by any employee of a radio or television broadcasting station, or any other person, who selects or participates in the selection and broadcasting of a record when he shall disclose, or cause to have disclosed, to the listening public at the time the record is played, that his selection and broadcasting of such record are in consideration for compensation of some nature, directly or indirectly received by him or his employer.

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 3rd day of November, 1960, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Triumph Records, Inc., a corporation, and Herbert C. Abramson, individually and as an officer of said corporation, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

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IN THE MATTER OF

MAYER & SCHMIDT ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS

Docket 7987. Complaint, June 24, 1960—Decision, Nov. 4, 1960

Consent order requiring a department store in Tyler, Tex., and the lessee of its fur department to cease violating the Fur Products Labeling Act by advertising in newspapers which failed to disclose the names of animals producing certain furs and to use the term "Dyed Broadtail processed Lamb" as required, and by failing in other respects to comply with labeling, invoicing, and advertising requirements.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Mayer & Schmidt, a corporation, and Klasky, Inc., a corporation, and Lyle L. Klasky, individually and as an officer of Klasky, Inc., hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling 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:

PARAGRAPH 1. Respondent Mayer & Schmidt, a retail department store, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Texas with its office and principal place of business located at Tyler, Texas.

Respondent Klasky, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Arkansas, with its home office located in the fur department of Mayer & Schmidt in Tyler, Texas. Respondent Klasky, Inc., leases and operates the fur department located in respondent Mayer & Schmidt department store. All advertising and purchasing for the fur department is carried on under the name of Mayer & Schmidt. Klasky, Inc., also leases and operates fur departments in other department stores located in Lubbock, Texas, Shreveport, Louisiana, and Texarkana, Arkansas.

Respondent Lyle L. Klasky is president of the corporate respondent Klasky, Inc. The individual respondent controls, directs and formulates the acts, practices and policies of the said corporate

respondent Klasky, Inc. The address of said individual respondent is the same as this corporate respondent, located in the fur department of Mayer & Schmidt in Tyler, Texas.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondents have been and are now engaged in the introduction into commerce and in the sale, advertising, and offering for sale, in commerce, and in the transportation and distribution, in commerce, of fur products; and have sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of fur which had been shipped and received in commerce, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

PAR. 4. Certain of said fur products were falsely and deceptively invoiced by respondents in that they were not invoiced as required under the provisions of Section 5(b)(1) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

PAR. 5. Certain of said products were falsely and deceptively invoiced in violation of the Fur Products Labeling Act and in that they were not invoiced in accordance with the Rules and Regulations promulgated thereunder in the following respects:

Required item numbers were not set forth on invoices, in violation of Rule 40 of said Rules and Regulations.

PAR. 6. Certain of said fur products were falsely and deceptively advertised in violation of the Fur Products Labeling Act in that respondents caused the dissemination in commerce, as "commerce" is defined in said Act, of certain newspaper advertisements, concerning said products, which were not in accordance with the provisions of Section 5(a) of the said Act and the Rules and Regulations promulgated thereunder; and which advertisements were intended to aid, promote and assist, directly or indirectly, in the sale and offering for sale of said fur products.

PAR. 7. Among and included in the advertisements as aforesaid, but not limited thereto, were advertisements of respondents which appeared in various issues of The Tyler Courier Times and the Tyler Courier Times Telegraph, morning and evening editions of a newspaper published in the City of Tyler, State of Texas, and having a wide circulation in said state and the adjacent areas in other states of the United States. By means of said advertisements

and others of similar import and meaning, not specifically referred to herein, respondents falsely and deceptively advertised fur products in that said advertisements:

(a) Failed to disclose the name or names of the animal or animals that produced the furs contained in the fur product as set forth in the Fur Products Name Guide, in violation of Section 5(a)(1) of the Fur Products Labeling Act.

(b) Failed to use the term "Dyed Broadtail processed Lamb" as required, in violation of Rule 10 of said Rules and Regulations.

PAR. 8. Respondents have made pricing claims and savings claims and representations in advertising, and failed to maintain full and adequate records disclosing the facts upon which such claims and representations were purportedly based in violation of Rule 44(e) of the Rules and Regulations under the Fur Products Labeling Act.

PAR. 9. The aforesaid acts and practices of respondents, as herein alleged, are in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder and constitute unfair and deceptive acts and practices in commerce under the Federal Trade Commission Act.

Mr. Michael P. Hughes and *Mr. Charles W. O'Connell* for the Commission.

Spruiell, Lowry, Potter, Lasater & Guinn, by *Mr. John H. Minton, Jr.*, of Tyler, Tex., for respondents.

INITIAL DECISION BY LOREN H. LAUGHLIN, HEARING EXAMINER

The Federal Trade Commission (sometimes also hereinafter referred to as the Commission) on June 24, 1960, issued its complaint herein, charging the above-named respondents with having violated the provisions of both the Federal Trade Commission Act and the Fur Products Labeling Act, together with the Rules and Regulations promulgated thereunder, and the respondents were duly served with process.

On September 21, 1960, there was submitted to the undersigned hearing examiner of the Commission for his consideration and approval an "Agreement Containing Consent Order To Cease And Desist," which had been entered into by and between respondents and the attorneys for both parties, under date of September 8, 1960, subject to the approval of the Bureau of Litigation of the Commission, which had subsequently duly approved the same.

On due consideration of such agreement, the hearing examiner finds that said agreement, both in form and in content, is in accord with § 3.25 of the Commission's Rules of Practice for Adjudicative

Proceedings, and that by said agreement the parties have specifically agreed to the following matters:

1. Respondent Mayer & Schmidt, a retail department store, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Texas, with its office and principal place of business located at Tyler, Texas.

Respondent Klasky, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Arkansas, with its home office located in the fur department of Mayer & Schmidt, in Tyler, Texas.

Individual respondent Lyle L. Klasky is an officer of corporate respondent Klasky, Inc. The individual respondent controls, directs and formulates the acts, practices and policies of the said corporate respondent Klasky, Inc. The address of said individual respondent is the same as corporate respondent Klasky, Inc., located in the fur department of Mayer & Schmidt in Tyler, Texas.

2. Respondents admit all the jurisdictional facts alleged in the complaint and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations.

3. This agreement disposes of all of this proceeding as to all parties.

4. Respondents waive:

a. Any further procedural steps before the hearing examiner and the Commission;

b. The making of findings of fact or conclusions of law; and

c. All of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with this agreement.

5. The record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this agreement.

6. This agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission.

7. This agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint.

8. The following order to cease and desist may be entered in this proceeding by the Commission without further notice to respondents. When so entered it shall have the same force and effect as if entered after a full hearing. It may be altered, modified or set aside in the manner provided for other orders. The complaint may be used in construing the terms of the order.

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Upon due consideration of the complaint filed herein and the said "Agreement Containing Consent Order To Cease And Desist," the latter is hereby approved, accepted and ordered filed, the same not to become a part of the record herein, however, unless and until it becomes part of the decision of the Commission. The hearing examiner finds from the complaint and the said "Agreement Containing Consent Order To Cease And Desist" that the Commission has jurisdiction of the subject matter of this proceeding and of each of the respondents herein; that the complaint states a legal cause for complaint under the Federal Trade Commission Act and the Fur Products Labeling Act and the Rules and Regulations promulgated by the Commission under the latter Act, against each of the respondents, both generally and in each of the particulars alleged therein; that this proceeding is in the interest of the public; that the following order as proposed in said agreement is appropriate for the just disposition of all of the issues in this proceeding as to all of the parties hereto; and that said order therefore should be, and hereby is, entered as follows:

It is ordered, That respondents Mayer & Schmidt and Klasky, Inc., corporations, and their officers, and Lyle L. Klasky, individually and as officer of Klasky, Inc., and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, offering for sale, transportation or distribution of fur products, in commerce, or in connection with the sale, advertising, offering for sale, transportation, or distribution of fur products which are made in whole or in part of fur which has been shipped and received in commerce, as "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

1. Misbranding fur products by:

a. Failing to affix labels to fur products showing in words and figures plainly legible all of the information required to be disclosed by each of the subsections of § 4(2) of the Fur Products Labeling Act;

2. Falsely or deceptively invoicing fur products by:

a. Failing to furnish to purchasers of fur products an invoice showing all the information required to be disclosed by each of the subsections of § 5(b)(1) of the Fur Products Labeling Act;

b. Failing to set forth on invoices the item number or mark assigned to such fur product;

3. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement, or no-

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tice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products and which:

a. Fails to disclose the name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed in the Rules and Regulations;

b. Fails to set forth the term "Dyed Broadtail Processed Lamb" where an election is made to use that term instead of Dyed Lamb;

4. Making claims or representations in advertisements respecting prices or values of fur products unless respondents maintain full and adequate records disclosing the facts upon which such claims and representations are based.

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 4th day of November 1960, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Mayer & Schmidt and Klasky, Inc., corporations, and their officers, and Lyle L. Klasky, individually and as officer of Klasky, Inc., shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

 IN THE MATTER OF

FRANK WALLECK TRADING AS WALLECK'S FUR SHOP

 CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
 FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS

Docket 8045. Complaint, July 18, 1960—Decision, Nov. 4, 1960

Consent order requiring a Pittsburgh furrier to cease violating the Fur Products Labeling Act by removing, before delivery to the ultimate consumer, labels required to be affixed to fur products; by failing to set forth the term "Persian Lamb" as required on labels and invoices and the term "Dyed Mouton processed Lamb" on invoices, and to reveal on labels when fur products contained flanks: and by failing in other respects to comply with labeling and invoicing requirements.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act, and by virtue of the authority

vested in it by said Acts, the Federal Trade Commission, having reason to believe that Frank Walleck, an individual trading as Walleck's Fur Shop, hereinafter referred to as respondent, has violated the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling 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:

PARAGRAPH 1. Frank Walleck is an individual trading as Walleck's Fur Shop with his office and principal place of business located at 414 Federal Street, Pittsburgh, Pennsylvania.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondent has been and is now engaged in the introduction into commerce and in the sale, advertising, and offering for sale, in commerce, and in the transportation and distribution, in commerce, of fur products; and has sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of fur which had been shipped and received in commerce, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Respondent has removed or caused or participated in the removal of, prior to the time certain fur products were sold and delivered to the ultimate consumer, labels required by the Fur Products Labeling Act to be affixed to such products, in violation of Section 3(d) of said Act and the Rules and Regulations promulgated thereunder.

PAR. 4. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

PAR. 5. Certain of said fur products were misbranded in violation of the Fur Products Labeling Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) The term "Persian Lamb" was not set forth in the manner required where an election is made to use that term instead of Lamb in violation of Rule 8 of the said Rules and Regulations.

(b) Failure to disclose that fur products are composed in whole or substantially of flanks when such is the fact in violation of Rule 20 of said Rules and Regulations.

(c) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was mingled with non-required information, in violation of Rule 29(a) of said Rules and Regulations.

(d) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in handwriting on labels, in violation of Rule 29(b) of said Rules and Regulations.

(e) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was not set forth separately on labels with respect to each section of fur products composed of two or more sections containing different animal furs, in violation of Rule 36 of said Rules and Regulations.

(f) Required item numbers were not set forth on labels in violation of Rule 40 of said Rules and Regulations.

PAR. 6. Certain of said fur products were falsely and deceptively invoiced by respondent in that they were not invoiced as required by Section 5(b)(1) of the Fur Products Labeling Act, and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

PAR. 7. Certain of said fur products were falsely and deceptively invoiced in violation of the Fur Products Labeling Act in that they were not invoiced in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) The term "Persian Lamb" was not set forth in the manner required where an election is made to use that term instead of Lamb in violation of Rule 8 of said Rules and Regulations.

(b) The term "Dyed Mouton processed Lamb" was not set forth in the manner required where an election is made to use that term instead of Dyed Lamb.

(c) Required item numbers were not set forth on invoices in violation of Rule 40 of said Rules and Regulations.

PAR. 8. The aforesaid acts and practices of respondent, as herein alleged, are in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder and constitute unfair and deceptive acts and practices in commerce under the Federal Trade Commission Act.

Mr. Garland S. Ferguson supporting the complaint.

Respondent, for himself.

INITIAL DECISION BY LEON R. GROSS, HEARING EXAMINER

On July 18, 1960, the Federal Trade Commission, pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act, caused its complaint to be issued in this proceeding, to which Frank Walleck, an individual trading as Walleck's Fur Shop, is respondent. A true copy of said complaint

was served upon the respondent as required by law. The complaint charges the respondent with violating the Federal Trade Commission Act, and the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, in the sale, advertising and offering for sale of fur products, by removing, or causing or participating in the removal from certain of said products, prior to the time they were sold and delivered to the ultimate consumer, of labels required by said Act and Rules to be attached thereto; and further, by misbranding and falsely and deceptively invoicing certain of said fur products. Respondent introduces fur products into commerce, and sells, advertises, offers for sale, transports and distributes said products in commerce; and has sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of fur which had been shipped and received in commerce, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act. After being served with the complaint, respondent entered into an agreement dated September 12, 1960, which purports to dispose of all of this proceeding as to all parties without the necessity of conducting a hearing. The agreement has been signed by the respondent as Frank J. Walleck (the same person named in the complaint as Frank Walleck), and by counsel supporting the complaint, and has been approved by the Director, Associate Director and Assistant Director of the Bureau of Litigation of this Commission. On September 21, 1960, the said agreement was submitted to the above-named hearing examiner for his consideration in accordance with § 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings.

Respondent, in the aforesaid agreement of September 12, 1960, has admitted all of the jurisdictional facts alleged in the complaint and agreed that the record may be taken as if findings of such jurisdictional facts had been duly made in accordance with such allegations. Said agreement further provides that respondent waives any further procedural steps before the hearing examiner and the Commission; the making of findings of fact or conclusions of law; and all of the rights he may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement. In the said agreement the parties, *inter alia*, agree that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and the agreement; that the order to cease and desist issued in accordance with the said agreement shall have the same force and effect as if entered after a full hearing; that the order may be altered, modified or set aside in the manner provided for other orders;

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that the complaint may be used in construing the terms of the order; and that said agreement is for settlement purposes only and does not constitute an admission by the respondent that he has violated the law as alleged in the complaint.

This proceeding now having come on for final consideration on the complaint and the aforesaid agreement of September 12, 1960, containing consent order, and it appearing that the order provided for in said agreement covers all of the allegations of the complaint and provides for an appropriate disposition of this proceeding as to all parties, the aforesaid agreement of September 12, 1960, is hereby accepted and approved as complying with § 3.21 and § 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings.

The undersigned hearing examiner, having considered the agreement and proposed order and being of the opinion that the acceptance thereof will be in the public interest, makes the following jurisdictional findings, and issues the following order:

JURISDICTIONAL FINDINGS

1. That the Federal Trade Commission has jurisdiction over the parties and the subject-matter of this proceeding;

2. Frank Walleck is an individual trading as Walleck's Fur Shop, with his office and principal place of business located at 414 Federal Street, Pittsburgh, Pennsylvania. Respondent presently is, and subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, has been engaged in the introduction into commerce and in the sale, advertising, and offering for sale in commerce, and in the transportation and distribution, in commerce, of fur products; and has sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of fur which had been shipped and received in commerce, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

3. Respondent is engaged in commerce as "commerce" is defined in the Federal Trade Commission Act.

4. The complaint herein states a cause of action against said respondent under the Federal Trade Commission Act and under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder. This proceeding is in the public interest.

ORDER

It is ordered. That respondent Frank Walleck, an individual trading as Walleck's Fur Shop or under any other trade name, and respondent's representatives, agents and employees, directly or

through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, or offering for sale in commerce, or the transportation or distribution in commerce, of fur products, or in connection with the sale, advertising, offering for sale, transportation, or distribution of fur products which are made in whole or in part of fur which has been shipped and received in commerce, as "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

1. Removing, or causing to be removed or participating in the removal of labels required to be affixed to fur products, prior to the time fur products are sold, and delivered to the ultimate purchaser of such fur products, unless proper substitute labels are affixed to such fur products in accordance with § 3(e) of said Act;

2. Misbranding fur products by:

A. Failing to affix labels to fur products showing in words and figures plainly legible all of the information required to be disclosed by each of the subsections of § 4(2) of the Fur Products Labeling Act;

B. Failing to set forth the term "Persian Lamb" where an election is made to use that term instead of Lamb;

C. Failing to disclose that fur products are composed in whole or in substantial part of paws, tails, bellies, sides, flanks, gills, ears, throats, heads, scrap pieces, or waste fur when such is the fact;

D. Setting forth on labels affixed to fur products:

(1) Information required under § 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder mingled with non-required information;

(2) Information required under § 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in handwriting;

E. Failing to set forth separately on labels affixed to fur products composed of two or more sections containing different animal furs, the information required under § 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder with respect to the fur comprising each section;

F. Failing to set forth on labels the item number or mark assigned to a fur product;

3. Falsely or deceptively invoicing fur products by:

A. Failing to furnish to purchasers of fur products invoices showing all the information required to be disclosed by each of the subsections of § 5(b)(1) of the Fur Products Labeling Act;

B. Failing to set forth the term Persian Lamb where an election is made to use that term instead of Lamb;

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- C. Failing to set forth the term Dyed Mouton processed Lamb where an election is made to use that term instead of Dyed Lamb;
- D. Failing to set forth on invoices the item number or mark assigned to a fur product.

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 4th day of November, 1960, become the decision of the Commission; and, accordingly:

It is ordered, That respondent Frank Walleck, an individual trading as Walleck's Fur Shop, shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which he has complied with the order to cease and desist.

IN THE MATTER OF

RADIO-TELEVISION TRAINING SCHOOL, INC., ET AL.

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

Docket 7824. Complaint, Mar. 11, 1960—Decision, Nov. 5, 1960

Consent order requiring a Los Angeles correspondence school to cease using numerous false claims in advertising and by salesmen to sell three courses—known as Radio-Television Technician, Industrial Electronics, and Arts and Production—including, among others, misrepresentations of earnings, employment opportunities, school placement service, and approval by U.S. Veterans Administration, as in the order below indicated.

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 Radio-Television Training School, Inc., a corporation, and Bertram A. Knight, Gloria N. Knight and Pearl B. Knight, individually and as officers of said corporation, hereinafter 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:

PARAGRAPH 1. Respondent Radio-Television Training School, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of California, with its office and principal place of business located at 5100 South Vermont Avenue, Los Angeles, California.

Respondents Bertram A. Knight, Gloria N. Knight and Pearl B. Knight are individuals and officers of the corporate respondent Radio-Television Training School, Inc. Said individual respondents formulate, direct and control the policies and practices of said corporate respondent. Their business address is the same as that shown above for the corporate respondent.

All of said respondents have cooperated and acted together in the performance of the acts and practices hereinafter set forth.

PAR. 2. Respondents Radio-Television Training School, Inc., and its officers are now, and for several years last past have been, engaged in the business of conducting a correspondence school and in selling and distributing, between and among the various states of the United States and in the District of Columbia, three courses of instruction for home study, known as Radio-Television Technician, Industrial Electronics, and Arts and Production. They have caused, and are now causing, these courses of instruction in said subjects, when sold, to be transported from their place of business in the State of California to purchasers thereof at their respective locations in other states of the United States and in the District of Columbia, and have maintained, and now maintain, a course of trade in said courses of instruction in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 3. Respondents are, and at all times mentioned herein have been, in substantial competition, in commerce, with other corporations, firms and individuals engaged in the sale of similar courses of instruction.

PAR. 4. In the course and conduct of their business as aforesaid, and for the purpose of enrolling prospective students and thereby promoting the sale of their said courses of instruction in radio and television and in electronics, respondents, through advertisements inserted and published in newspapers and periodicals having general circulation throughout the United States; in pamphlets, leaflets, circulars, form letters, cards, printed contracts and other media distributed through the United States mail; through oral representations made by their salesmen, and by other means and media, have made, and are now making, numerous statements with respect to the nature of their Radio-Television Technician and Industrial Electronics courses of instruction and the advantages and benefits which

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the purchasers thereof will receive. Among and typical of such statements, but not limited thereto, are the following:

Reliable

MEN WANTED

in this Area

To Qualify as Operators of RTS
Approved TV—RADIO—ELECTRONICS

Repair Shops

NO EXPERIENCE NEEDED—WE TRAIN YOU

We sponsor and finance you in
your own profitable business full or part time.

This Bona Fide offer may be your
Big Opportunity. Apply Today—Open
for limited time only

ELECTRONICS is easy to learn the RTS Way.

RTS Lessons are written in easy to understand language.

Unskilled MEN TO TRAIN FOR ELECTRONICS.

NO EXPERIENCE NEEDED.

NO HIGH SCHOOL DIPLOMA NEEDED.

Get into this Fifteen Billion Dollar TV-Electronics field now while top pay jobs are open.

Even those with very limited education have had no difficulty whatever understanding the RTS Lessons.

An Appeal To Every Man 18 to 55.

You are needed in Industrial Electronics.

NO EXPERIENCE NECESSARY.

YOU CAN WRITE YOUR OWN TICKET IF YOU GET IN NOW.

Who . . . Me? Yes . . . You!

If I could put you into a top job in the brand new growing field of electronics . . . could you fill the job? These jobs pay more money per year than most people make in two. There's work with:

- Electric Timers
- Application of Photo Cells
- High Frequency Heating
- Geiger Counters
- X-Ray
- Radar
- Computers
- Telemetering
- Microwaves

Practical work gives you the necessary Basic Experience you will need.

R.T.S. makes it possible for you to get easy practical training in Radio-Television Electronics.

Here are wide-open opportunities in the new field of Industrial Electronics
* * * This great new industry is literally screaming for trained personnel!
* * * it's our responsibility to train men for the industry.

We want men all over the country * * *. No experience is necessary! No high school diploma is necessary for you to take part in the RTS Emergency Manpower Training Program.

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FIRST COME—FIRST SERVED

This is a wide open field * * * the demand for trained technicians has never been satisfied * * * Now you have the opportunity to get into this rich and waiting field in a matter of months.

UNLIMITED JOB OPPORTUNITIES OPEN TO YOU AS AN RTS TRAINED ELECTRONIC TECHNICIAN.

(Followed by a list of 62 positions under the headings: INDUSTRIAL ELECTRONICS, ELECTRIC CONTROLS, AVIATION RADIO, RECEIVER DESIGN AND MANUFACTURING MERCHANDISING, RADIO AND TV SERVICING, PUBLIC ADDRESS SYSTEMS, POLICE RADIO.)

National Electronics Companies want and need RTS Graduates.

Unless you are now making over \$600 PER MONTH you can't afford not to invest in this training.

Correspondence schools better than classrooms.

The famous RTS Business Plan to which each graduate of this course is entitled.

R.T.S. will finance all your equipment.

Radio Television Training School was established in 1922 * * *.

Leads the way with big new improved Radio and Television Kits (with depiction of kits and tubes).

This is our "Guided Futures Program". It can prepare you for an important position in the industry or a business of your own.

Prepare for a better job as an electronics technician.

YOU CAN QUALIFY.

You can join the new army of Electronic Technicians and prosper.

Electronics Easily Mastered.

Unlimited Opportunities for You.

RTS Balanced Training Prepares You.

PAR. 5. Through the use of the aforesaid statements, and others of similar import not specifically set forth, with respect to their Radio-Television Technician and Industrial Electronics Courses, respondents represent that:

1. Respondents offer employment in the Radio, Television and Electronics industries.

2. Electronics is easy to learn and persons without a high school education can successfully complete said courses of instruction without difficulty.

3. Respondents' said courses provide all the necessary instruction and experience to qualify persons who have completed them for top positions in the radio, television and electronics fields.

4. There is a shortage in the field of Industrial Electronics for persons with the training provided by respondents' said courses of instruction.

5. National electronic firms will employ persons who have completed respondents' said courses of instruction.

6. Persons who complete said courses of instruction are assured of employment in the radio, television and electronics fields and will be able to earn more than \$600.00 a month in such employment.

7. Respondents' said courses give superior training to that provided by classroom instruction.

8. Respondents furnish complete radio and television sets in kit form to those who purchase said courses of instruction.

9. The R.T.S. Business Plan is available to all persons who complete respondents' said courses of instruction and wish to open a radio and television shop.

10. Respondents will fully finance the cost of all necessary equipment and supplies for a radio or radio and television shop under their R.T.S. Business Plan.

11. Respondents have been training persons in the radio field since 1922.

Respondents' salesmen, in soliciting the sale of the Radio-Television Technical and Industrial Electronics courses, repeat, in substance, the statements made in the foregoing advertisements and in addition represent that:

1. The courses are approved by the United States Veterans Administration and the cost thereof will be paid by the Federal Government for qualified Veterans.

2. Respondents will place persons who complete said courses in jobs.

3. The student may discontinue the course at any time, without obligation to make further payments for the course.

4. If the prospective student does not enroll at the time of the salesman's visit, the salesman cannot return at a later date to enroll the prospect and the opportunity to purchase the course will be lost.

PAR. 6. The aforesaid statements and representations are grossly exaggerated or false, misleading and deceptive. In truth and in fact:

1. Respondents' offer is not an offer of employment. Its sole purpose is to interest prospects in the purchase of their said courses of instruction.

2. Electronics is not easy to learn and persons without a high school education find it difficult to successfully complete said courses of instruction.

3. Respondents' said courses of instruction do not provide all of the necessary instruction and experience to qualify persons who have completed them for top positions in the radio, television and electronics fields. Most employers require considerable practical experience in addition to such information as may be obtained from the courses.

4. There is no shortage in the field of Industrial Electronics for persons with the training provided by respondents' said courses of instruction.

5. Most national electronic firms will not employ persons because they have completed said courses of instruction.

6. There is no assurance that persons who complete said courses of instruction will be able to secure employment in the radio, television or electronics fields. If such employment is secured, it usually will be at substantially less than \$600.00 a month.

7. Respondents' said courses of instruction do not give superior training to that provided by classroom instruction.

8. Respondents do not furnish complete radio and television kits in connection with their said courses of instruction as such kits do not contain tubes.

9. The R.T.S. Business Plan is not available to all persons who complete respondents' said courses of instruction. On the contrary, credit ratings satisfactory to respondents must be furnished.

10. Respondents do not fully finance the cost of necessary equipment and supplies for a radio or radio and television shop under their R.T.S. Business Plan, as a substantial amount must be paid by the person who wishes to open a shop under this Plan.

11. Respondents have not been training persons in radio since 1922.

12. Respondents' said courses are not approved by the United States Veterans Administration and the cost thereof will not be paid by the Federal Government for qualified Veterans.

13. Respondents do not operate a placement service. The only effort made by respondents to secure employment for persons who have completed said courses of instruction is to write a letter to prospective employers.

14. Respondents require payment for the entire course in most cases even though the course is discontinued.

15. It is not necessary for the prospective student to enroll at the time of the salesman's call as the salesman will return if there is a prospect of a sale. Moreover, said courses may be purchased at any time by mail.

PAR. 7. Respondents have also made, in the manner set forth in Paragraph Four hereof, numerous statements and representations with regard to their Radio and Television Arts and Production Course of Instruction. Among and typical of such statements and representations, but not limited thereto, are the following:

Here's the Best and Quickest Way you can Qualify AT HOME for a big paying career in SHOW BUSINESS.

... HOME STUDY Prepares for Exciting Careers Such As: Emcee, Radio and TV Writer, Make-up Artist, Costume Designer, Cameraman, Announcer, Radio-TV Director, Commentator, Disc Jockey, and many others. . . . Cameraman, Emcee, Film Editors, and dozens more draw fabulous pay. . . . Prepare At Home—in spare time with course recommended by stars.

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In brief, RTS training prepares you for a job in any field of "show business" whether it is in Radio, Television, Motion Pictures, Legitimate Theatre, or "Little Theatre", or Small Type groups.

PREPARE AT HOME FOR THE CAREER OF YOUR CHOICE . . . FOR YOU CAN PREPARE for a Show Business career through Home Study—easily, conveniently, and at MUCH LOWER COST than similar training in a school you attend personally.

Will you allow me, and the whole RTS organization, to help you achieve your dreams of a career in Show Business. Perhaps here in Hollywood—or, if you prefer, in a Radio or TV Station nearer your home.

R.T.S. Training will help you qualify for one of the following well paying and important jobs in Radio and Television Arts and Production: Disc Jockey, Emcee, Fashion Consultant, TV Writer, Floor Manager, TV Directing, Film Editor, Scenic Designer, Commentator, Make-up Artist, TV Cameraman, Producer, Microphone Room Operator, Announcing, Acting, Radio Writer, Costuming, Dolly Pusher, Production Assistant, Casting Director, Programming, Artist.

Radio and Television Industry Needs You.

Fantastic Salaries—Life of Glamour in World's Most Exciting Careers * * *

Prepare at home—in spare time with course recommended by Stars.

Practically everything it is possible to teach is covered.

The fantastic growth of television has brought a sky rocketing demand for talent and skill in every phase of Radio TV Arts and Production.

We have been training ambitious people by correspondence since 1922 (36 years!).

We have designed your course to include a strong foundation knowledge of voice improvement, Radio and TV Announcing, Acting, Writing, Theatrical Make-up, Camera Technique, Costume Designing and Set Designing.

This course is designed to prepare you for "SHOW BUSINESS" and show business in a BIG MONEY field.

Your show business opportunity might be just around the corner.

BE PREPARED . . . ENROLL NOW

PLACEMENT ASSISTANCE

The most comprehensive and complete course of its kind available today * * * complete instruction.

Job Placement Guidance.

Your future in this field can be virtually unlimited!

RTS is the key to TOP PERFORMANCE in Arts and Production.

RTS can give you the training you need now.

PAR. 8. Through the use of the aforesaid statements, and others of the same import not specifically set forth, respondents represent, directly or by implication, with respect to their Radio and Television Arts and Production Course of Instruction, that:

1. There are unlimited job opportunities in Radio and Television Arts and Production.

2. Upon completion of the said course, a person will be properly prepared and trained for success in the fields of radio and television show business.

3. There is a big demand in the radio and television industries for those who complete said course.

