

## IN THE MATTER OF

## INTERNATIONAL SHOE COMPANY, ET AL.

SET ASIDE ORDER IN REGARD TO ALLEGED VIOLATION OF THE  
FEDERAL TRADE COMMISSION ACT

*Docket 6835. Consent Order, March 6, 1958—Set Aside Order, Jan. 30, 1985*

In its *Order Reopening and Setting Aside Order Issued March 6, 1958*, the Commission notes that the public interest warrants granting the request filed by Interco Incorporated (formerly International Shoe Company) to set aside the 1958 consent order which barred the company from engaging in exclusive-dealing arrangements with shoe dealers, and providing loans and special services to those dealers who agreed to handle the firm's products exclusively. The Commission found that the same considerations that prompted its July 16, 1984 determination to set aside the 1966 Order issued against the Brown Shoe Company, Inc., 104 F.T.C. 266, which also involved a perpetual exclusive dealing order, are applicable in present action. Accordingly, this Order reopens the matter and sets aside the consent order issued against International Shoe Company on March 6, 1958 (54 F.T.C. 1120).

## ORDER REOPENING AND SETTING ASIDE ORDER ISSUED MARCH 6, 1958

On October 9, 1984, respondent Interco Incorporated (formerly International Shoe Company and hereafter "Interco") filed a Request To Reopen And Set Aside Order ("Request"), pursuant to Section 5(b) of the Federal Trade Commission Act, 15 U.S.C. 45(b) and Section 2.51 of the Commission's Rules of Practice. The Request asked the Commission to reopen the consent order issued on March 6, 1958 ("the order") and set it aside. Interco's request was on the public record for thirty days and no comments were received.

After reviewing respondent's Request, the Commission has concluded that the public interest warrants reopening and setting aside the order as requested by respondent. The action we take today is consistent with our recent determination in *Brown Shoe Company, Inc.*, Docket No. 7606, July 16, 1984 [104 F.T.C. 266], which also involves a perpetual exclusive dealing order in the shoe industry. The same considerations which prompted our action in *Brown Shoe* are applicable to the present request.

Accordingly, *it is ordered*, that this matter be, and it hereby is, reopened, and that the Commission's order issued on March 6, 1958, shall be of no further force and effect as of the effective date of this order.

IN THE MATTER OF  
LURIA BROTHERS AND COMPANY, INC., ET AL

SET ASIDE ORDER IN REGARD TO ALLEGED VIOLATION OF THE FEDERAL  
TRADE COMMISSION ACT AND SEC. 7 OF THE CLAYTON ACT

*Docket 6156. Order, Feb. 13, 1963—Set Aside Order, Feb. 1, 1985*

After considering respondent's petition to reopen the matter and set aside the Commission's order of February 13, 1963 (62 F.T.C. 243), together with public comments and other relevant information, the Commission found that the order, which, among other things, barred the firm from entering into exclusive supplier arrangements with steel mills and receiving preferential treatment as a scrap metal supplier, no longer serves the public interest. The Commission held that in view of the present characteristics of the ferrous scrap industry, and respondent's present inability to exclude competitors through the exercise of market power, the order no longer serves any procompetitive purpose and may impede Luria's ability to compete effectively for the business of scrap consumers that desire exclusive supply arrangements. Accordingly, the Order reopens the matter and sets aside the Commission's order of February 13, 1963 as it applies to respondent Luria.

ORDER REOPENING AND SETTING ASIDE THE ORDER  
ISSUED FEBRUARY 13, 1963

By petition filed on September 19, 1984, Luria Brothers & Company, Inc. (hereafter "Luria") requests that the Commission reopen the proceeding in Docket No. 6156 and set aside the order therein. Upon consideration of Luria's petition, the public comments, and other relevant information, the Commission now finds that the public interest warrants reopening the proceeding and setting aside the order as to Luria.

The record describes an industry in which Luria's use of exclusive arrangements to supply purchased iron and steel scrap to any foreign or domestic scrap consumer, including respondent mills, would have no significant anticompetitive effects. Luria's shares in the national and regional ferrous scrap markets have declined steadily since the Commission issued its complaint in this matter. In contrast to its previous dominance in the export of iron and steel scrap, Luria is now only minimally involved in that aspect of the scrap business. Moreover, concentration in the industry has decreased significantly as new firms have entered the market, thus demonstrating the absence of natural or artificial barriers to entry.

In view of the present characteristics of the ferrous scrap industry, and Luria's inability to exclude competitors through the exercise of market power, the order now serves no procompetitive purpose and

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Set Aside Order

may impede Luria's ability to compete effectively for the business of scrap consumers that desire exclusive supply arrangements. As a result, we conclude that the order no longer is in the public interest. However, the Commission will not be precluded from taking enforcement action concerning the practices that are the subject of this order when the Commission has reason to believe they violate the law.

Accordingly,

*It is ordered,* That this matter be and it hereby is reopened, and that the Commission's February 13, 1963 order be and it hereby is set aside as it applies to respondent Luria.

Commissioner Bailey concurred in the result.

Set Aside Order

105 F.T.C.

## IN THE MATTER OF

## AMERICAN MOTORS CORPORATION, ET AL.

SET ASIDE ORDER IN REGARD TO ALLEGED VIOLATION OF THE  
FEDERAL TRADE COMMISSION ACT*Docket C-3093. Consent Order, July 6, 1982—Set Aside Order, Feb. 14, 1985*

This Order reopens the proceeding and grants the petitions of a utility vehicle manufacturer and its subsidiary to set aside the FTC Consent Order issued on July 6, 1982 (100 F.T.C. 229 (1982)), which requires them to attach to each new Jeep CJ a sticker warning that multipurpose vehicles handle differently from ordinary passenger cars and sudden sharp turns or abrupt maneuvers may result in loss of control; and to include additional safety disclosures in Owner's Manuals and Supplements. Petitioners' request that the Order be set aside was based on changes in law and fact and on public interest considerations. The manufacturers asserted that a new regulation promulgated by the National Highway Traffic Safety Administration ("NHTSA"), which became effective on September 1, 1984, covers the same subject matter as FTC's Order and makes the Order unnecessary. Further, while the regulation requires all manufacturers of utility vehicles to place a sticker on such vehicles and to disclose in their operating manuals information "to alert drivers that the particular handling and maneuvering characteristics of utility vehicles require special driving practices when those vehicles are operated on paved roads," respondent is the only manufacturer of such vehicles subject to dual liability. After considering all arguments presented by petitioners, and noting that NHTSA, the federal agency with the specific statutory responsibility to regulate automobile traffic, has in effect a regulation, enforceable by the assessment of penalties, that adequately addresses the problem that led to issuance of the FTC Order, the Commission concluded that petitioners had adequately shown that changed conditions of law and fact and public interest considerations require that the Order be set aside. Accordingly, the Commission ordered the matter reopened and the consent order set aside.

ORDER REOPENING THE PROCEEDING AND SETTING ASIDE  
CEASE AND DESIST ORDER

On September 13, 1984, American Motors Corporation and its wholly-owned subsidiary, Jeep Corporation, respondents in the captioned matter, filed a petition pursuant to Rule 2.51 of the Commission's Rule of Practice to reopen the proceeding and set aside the Consent Order entered therein.

The Order, which was issued on July 6, 1982, requires, *inter alia*, that respondents affix a sticker to the instrument panel or windshield frame of each new Jeep CJ reading as follows:

This multipurpose vehicle handles and maneuvers differently from an ordinary passen-

may result in loss of control. Read driving guidelines in Owner's Manual and Supplement.

WEAR SEATBELTS AT ALL TIMES

The Order also requires respondents to disclose in the Owner's Manual for new Jeep CJ's and in an informational Supplement to the Owner's Manual the following:

Utility vehicles have higher ground clearance and narrower track to make them capable of performing in a wide variety of off-road applications. Specific design characteristics give them a higher center of gravity than ordinary cars. An advantage of the higher ground clearance is a better view of the road allowing you to anticipate problems. They are not designed for cornering at the same speeds as conventional 2WD vehicles any more than low-slung sports cars are designed to perform satisfactorily under off-road conditions. If at all possible, avoid sharp turning maneuvers. As with other vehicles of this type, failure to operate this vehicle correctly may result in loss of control or an accident.

The Order further mandates that respondents include the following statement in the introduction to the Supplement:

As with other vehicles of this type, failure to operate this vehicle correctly may result in loss of control or an accident. Be sure to read on-pavement and off-road driving guidelines which follow.

Petitioners' requests that the Order be set aside is based on changes in law and fact and on public interest considerations. The petition asserts that a new regulation of the National Highway Traffic Safety Administration ("NHTSA") became effective on September 1, 1984, which covers the same subject matter as the Commission's Order. 49 C.F.R. 575.105, *reprinted* in 49 FR 20016 (1984). NHTSA's regulation requires all manufacturers of utility vehicles to place a sticker on such vehicles and to disclose in their Operating Manuals information "to alert drivers that the particular handling and maneuvering characteristics of utility vehicles require special driving practices when those vehicles are operated on paved roads." While the sticker and the disclosures required by the NHTSA regulation were patterned after those in the Commission's Order against petitioners, the language therein differs substantively from the exact language required by the Commission's Order. Violations of both the NHTSA regulation and the Commission's Order may subject petitioners to civil penalties.

Petitioners argue that the new regulation promulgated and implemented by NHTSA constitutes a change of law. The regulation covers the same subject matter as the Commission's Order, and NHTSA is the federal agency with specific statutory authority to regulate traffic

safety. See 15 U.S.C. 1381 (1982). "In short," petitioners' assert, "the NHTSA regulation has made the Order unnecessary."

As a changed condition of fact, petitioners argue that the new NHTSA regulation ensures that they will continue to make disclosures concerning the handling of utility vehicles. The regulation applies to all utility vehicles, and AMC is the only manufacturer of such vehicles subject to dual liability. Petitioners are, therefore, injured competitively. Furthermore, they contend that they have been placed in an untenable regulatory dilemma. If they comply with the NHTSA regulation, they are in violation of the Commission's Order, and compliance with the Order constitutes non-compliance with the NHTSA regulation. Penalties are assessable for violations of both the regulation and the Order.

Finally, petitioners contend that the public interest requires that the Order be set aside because inconsistent and overlapping regulatory schemes do not serve the goal of efficient government administration.

Under Section 5(b) of the Federal Trade Commission Act and Rule 2.51 of the Commission's Rules, the Commission must reopen the proceeding and consider altering, modifying or setting aside an Order if a respondent files a request showing that changed conditions of law or fact require the Order to be altered, modified or set aside, in whole or in part, or that the public interest so requires.

The National Highway Traffic Safety Administration, the federal agency with the specific statutory responsibility to regulate automobile traffic safety, has in effect a regulation, enforceable by the assessment of penalties, that adequately addresses the problem that led to the issuance of the Commission's Order. Therefore, the Commission has concluded that petitioners have adequately shown that changed conditions of law and fact and public interest considerations require that the Order be set aside.

Accordingly, *it is ordered*, that the proceeding in this matter be reopened and the Order set aside.

## IN THE MATTER OF

## SENTRONIC CONTROLS CORPORATION, ET AL.

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

*Docket C-3150. Complaint, Feb. 21, 1985—Decision, Feb. 21, 1985*

This Consent Order, among other things, requires three Chicago, Ill. corporations and three individuals engaged in the advertising, sale and distribution of an ultrasonic pest control product called the "Pest Sentry," to cease representing that the Pest Sentry or any other ultrasonic pest control device will eliminate cockroaches, rats, mice, and other such pests from a home or place of business; eliminate them within a specified period of time; prevent them from entering or remaining in an area where the product is being used; and serve as an effective alternative to the use of conventional pest control products. The Order further bars respondents from making any performance or effectiveness claims for ultrasonic pest control devices unless they possess and rely on competent and reliable substantiating evidence when making those claims.

*Appearances*

For the Commission: *Edwin Dosek.*

For the respondents: *Alvin Becker, Beerman, Swerdlow, Woloshin, Berezky & Berkson, Chicago, Ill.*

## 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 Sentronic Controls Corporation, a corporation, International Marketing & Manufacturing, Inc., a corporation, Unigraf, Inc. a corporation, Stanley Stewart and Anne K. Stewart, individually and as officers of said Sentronic Controls Corporation and of International Marketing & Manufacturing, Inc., and Richard Muller, individually and as an officer of said Sentronic Controls Corporation and of Unigraf, Inc., hereinafter sometimes 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. Respondents Sentronic Controls Corporation (SCC) and International Marketing & Manufacturing, Inc. (IMM) are I

Illinois corporations with their offices and principal places of business located at 730 North LaSalle Street, Chicago, Illinois.

Respondent Unigraf, Inc. (Unigraf) is an Illinois corporation with its offices and principal place of business located at 60 West Erie Street, Chicago, Illinois.

Respondent Stanley Stewart is an officer of SCC and an officer of IMM. Respondent Anne K. Stewart is an officer of IMM. Respondent Richard Muller is an officer of SCC, and an officer and director of Unigraf. As such, they formulate, direct and control the policies, acts and practices of said corporations, including the acts and practices hereinafter set forth. Their addresses are the same as those of said corporations.

The aforesaid respondents cooperate and act together in carrying out the acts and practices hereinafter set forth.

PAR. 2. Respondents manufacture, advertise and offer for sale, sell and distribute ultrasonic pest control products under the brand name of Pest Sentry.

PAR. 3. Respondents, at all times mentioned herein, have maintained a substantial course of business, including the acts and practices as hereinafter set forth, which are in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business, and for the purpose of inducing the purchase of the Pest Sentry ultrasonic pest control product, respondents have disseminated, directly and through their marketers and distributors, various promotional materials, including "suggested advertisements", sales brochures and promotional pamphlets, which contain statements respecting the performance of the Pest Sentry ultrasonic pest control product. Examples of such promotional materials are attached hereto as Exhibits A through C.

PAR. 5. Typical statements in said promotional materials, but not necessarily inclusive thereof, are

A. NOW—ELIMINATE—FLYING and CRAWLING PESTS - RATS - MICE - ROACHES - MOSQUITOES - FLIES - WATERBUGS ULTRASONICALLY.

B. PEST SENTRY eliminates flying and crawling pests . . . safely, economically . . . in 2-6 weeks. WITHOUT . . . calling in expensive pest control services or spending your valuable time using poisonous powders, messy sprays, dangerous chemicals or unsightly traps.

C. You will notice results in a few days and within 4 to 6 weeks you will be free of the entire list of crawling and flying, pests as long as PEST SENTRY "stands guard".

D. THE PEST SENTRY protects indoor facilities from:

- Rats
- Mice
- Flies
- Roaches
- Mosquitoes
- Waterbugs
- Chipmunks
- Squirrels

and other kinds of crawling and flying pests. Research data available upon request from manufacturer.

E. SAY GOOD-BYE TO ANNOYING PESTS! Let Pest Sentry eliminate roaches, rats, mice, mosquitoes, flies, water bugs, and other crawling and flying pests from your home.

F. NOW . . . YOU CAN PROTECT YOUR HOME AND FAMILY FROM FLYING AND CRAWLING PESTS with an all-new Sound Solution to Pest Control!

G. One Pest Sentry covers a very large area, 1500 - 2000 sq. ft. (16,000 cubic ft. for 8 ft. ceilings). The Pest Sentry sound will penetrate doors, drywall and plastered rooms.

H. PEST SENTRY eliminates setting unreliable traps, using messy and often dangerous chemicals and hard-to-control poisonous sprays.

I. [T]he PEST SENTRY is a professional answer for homes, restaurants, warehouses, schools, farm buildings . . . garages, retail stores, hospitals, nursing homes—any indoor location where flying and crawling pests are a problem.

J. Ultra - Effective Pest Eliminator.

#### COUNT I

##### *Pest Elimination Claims*

Alleging violations of Section 5 of the Federal Trade Commission Act, the allegations of Paragraphs One, Two, Three, Four and Five are incorporated by reference herein.

PAR. 6. Through the use of the statements referred to in Paragraph Five and others not specifically set forth therein, respondents have represented, and are now representing, directly or by implication, that use of the Pest Sentry:

1. Eliminates rats, mice, cockroaches, and other pests from a purchaser's home or place of business.
2. Eliminates rodent and insect problems from a purchaser's home or place of business within two to six weeks.
3. Prevents rodents and insects from entering or remaining in an area in a purchaser's home or place of business where the Pest Sentry device is in use.

PAR. 7. The representations set forth in Paragraph Six are false because use of the Pest Sentry does not:

1. Eliminate unwanted rats, mice, cockroaches, or other pests from a purchaser's home or place of business.
2. Eliminate rodent and insect problems from a purchaser's home or place of business within two to six weeks.
3. Prevent rodents and insects from entering or remaining in an area in a purchaser's home or place of business in which such product is in use.

Therefore, the representations set forth above constitute deceptive and unfair acts or practices.

Complaint

105 F.T.C.

## COUNT II

*Ability To Control Pest Claims*

Alleging further violation of Section 5 of the Federal Trade Commission Act, the allegations of Paragraphs One, Two, Three, Four and Five are incorporated by reference herein.

PAR. 8. Through the use of the statements referred to in Paragraph Five, and others not expressly set out therein, respondents have represented, and are now representing, directly or by implication, that the Pest Sentry:

1. Controls effectively rats and mice in the home or place of business.
2. Controls effectively insects, such as cockroaches, in the home or place of business.
3. Eliminates the need to use, in the home or place of business, alternative rodent or insect control products such as traps, powders, sprays or other chemicals.

PAR. 9. In truth and in fact, contrary to the representations made by respondents set forth in Paragraph Eight, the Pest Sentry:

1. Is ineffective for controlling rodents in the home or place of business. Any reaction by rodents to the Pest Sentry would, at best, only be of short duration. Rodents habituate to ultrasound and will return to their chosen nesting or feeding habitats even in the presence of such ultrasonic products.
2. Is ineffective for controlling insects in the home or place of business.
3. Does not eliminate the need to use alternative pest control products such as chemicals, sprays, powders, or traps in the home or place of business.

Therefore, the representations set forth herein constitute deceptive and unfair acts or practices.

## COUNT III

*Area Coverage Claims*

Alleging further violation of Section 5 of the Federal Trade Commission Act, the allegations of Paragraphs One, Two, Three, Four and Five are incorporated by reference herein.

PAR. 10. Through the use of the statements referred to in Paragraph Five, and others not expressly set out therein, respondents have represented, and are now representing, directly or by implication, that the Pest Sentry will effectively cover an area of 1500 to 2000 square feet in the home or place of business.

PAR. 11. In truth and in fact, contrary to the representations made by respondents alleged in Paragraph Ten, the Pest Sentry will not effectively cover areas of 1500 to 2000 square feet in the home or place of business because among other reasons, ultrasound:

1. Loses intensity as it travels;
2. Is absorbed by soft objects such as carpeting, curtains and drapes;
3. Is reflected by hard surfaces such as partitions, appliances, furniture, cabinets and shelving creating sound "shadows"; or
4. Is unable to penetrate to places of nesting and feeding that are behind and within recesses of walls, under floors or within cracks or crevices.

Therefore, the representations set forth herein constitute deceptive and unfair acts or practices.

#### COUNT IV

##### *Reasonable Basis - Substantiation*

Alleging further violation of Section 5 of the Federal Trade Commission Act, the allegations of Paragraphs One, Two, Three, Four and Five are incorporated by reference herein.

PAR. 12. Through the use of the statements referred to in Paragraph Five, and others not expressly set out therein, respondents have represented and are now representing, directly or by implication, that at the time of making the representations respondents possessed and relied upon a reasonable basis for those representations. In truth and in fact, at such times, respondents did not possess and rely upon a reasonable basis for making such representations because, among other reasons, respondents had not conducted appropriate tests or had improperly applied results of tests done by others. Therefore, said representations constituted and now constitute deceptive and unfair acts or practices.

PAR. 13. The use by respondents of the aforesaid representations, as set forth in Count I-IV, and the placement in the hands of distributors and retailers of promotional materials through which others may have conveyed those representations, have had the capacity and tendency to mislead consumers and to induce the purchase of respondents' ultrasonic pest control products.


PAR. 14. The acts and practices of respondents, as herein alleged, constituted, and now constitute unfair and deceptive acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act. The acts and practices of respondents, as herein alleged, are continuing and will continue in the absence of the relief herein requested.

Chairman Miller dissented.

Complaint

105 F.T.C.

EXHIBIT A-1



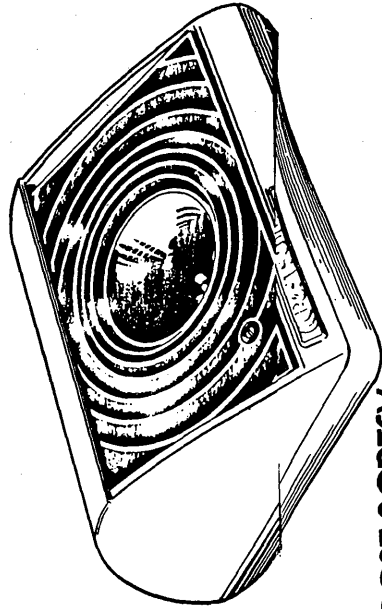
# NOW

**ELIMINATE... FLYING AND CRAWLING  
PESTS • RATS • MICE • ROACHES  
MOSQUITOES • FLIES • WATERBUGS  
ULTRASONICALLY**

The all-new, high technology, PEST SENTRY is a compact (7½" W x 7¾" D x 3½" H) electronic, solid-state system that broadcasts high intensity ultrasonic waves on a continually changing frequency. The ultrasonic waves seriously affect the auditory and nervous system of rats, mice, roaches, flies, mosquitoes, and other crawling and flying pests. PEST SENTRY will eliminate "resident" pests in 2-6 weeks and

no new crawling or flying pests will enter a PEST SENTRY protected area (1500-2000 sq. feet).  
Developed for indoor use, the PEST SENTRY is a professional answer for homes, restaurants, warehouses, schools, farm buildings (chicken coops, barns, out-buildings, storage silos), garages, retail stores, hospitals, nursing homes - any indoor location where flying and crawling pests are a problem.

EXHIBIT A-1 (CONT'D)



**PEST SENTRY** simply plugs into any 110 volt AC outlet. It uses only 4 watts of power—making it an economical as well as professional way to eliminate crawling and flying pests.

**PEST SENTRY** will not harm people, household pets, farm animals, birds, plants, flowers.

**PEST SENTRY** will not interfere with electronic burglar alarms, TV reception or other sophisticated electronic devices.

**PEST SENTRY** eliminates setting unreliable traps, using messy chemicals and hard-to-control poisonous sprays.

**STORE NAME**

EM, INC.  
 Electronic Controls Corp.  
 AD # PS-100  
 4 Col. x 16" B&W Ad

EXHIBIT A-2

# PEST SENTRY

## PEST SENTRY

The professional ultrasonic sound wave system

## PEST SENTRY

The professional ultrasonic sound wave system

## PEST SENTRY

The professional ultrasonic sound wave system

## PEST SENTRY

The professional ultrasonic sound wave system

The professional ultrasonic sound wave system

ELIMINATES FLYING AND CRAWLING PESTS...SAFELY, ECONOMICALLY

ELIMINATES FLYING AND CRAWLING PESTS...SAFELY, ECONOMICALLY

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ELIMINATES FLYING AND CRAWLING PESTS...SAFELY, ECONOMICALLY

### PEST SENTRY

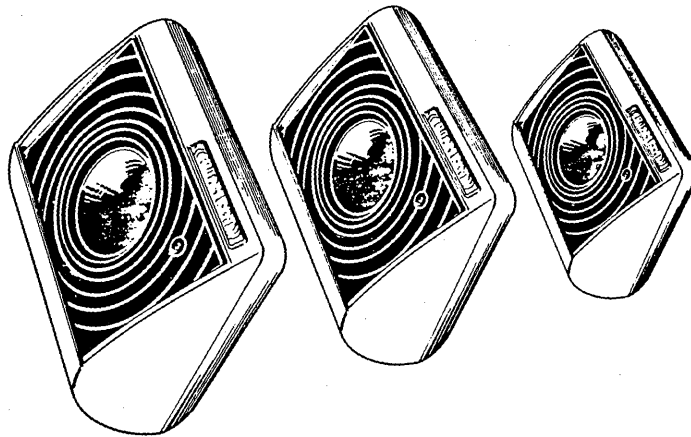
will not harm people, household pets, farm animals, birds, plants, flowers.

### PEST SENTRY

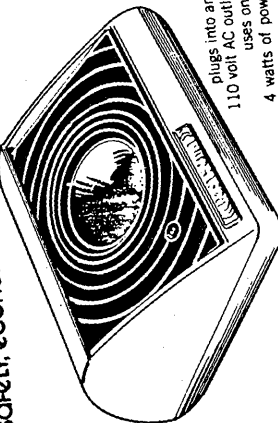
will not interfere with electronic burglar alarms, TV reception or other sophisticated electronic devices.

### PEST SENTRY

eliminates setting unreliable traps, and often dangerous chemicals and hard-to-control poisonous sprays.



**PEST SENTRY**  
ELIMINATES FLYING AND CRAWLING PESTS...  
SAFELY, ECONOMICALLY... IN 2-6 WEEKS.



plugs into any  
110 volt AC outlet  
uses only  
4 watts of power

**WITHOUT...**  
calling in expensive pest control services or  
spending your valuable time using poisonous  
powders, messy sprays, dangerous chemicals  
or unsightly traps.

will not harm people, household pets, farm animals, birds, plants,  
flowers. • will not interfere with electronic burglar and fire  
alarms, TV reception or other sophisticated electronic devices.

Complaint

105 F.T.C.

EXHIBIT B-1-1



NEW ULTRASONIC SOUND WAVE SYSTEM ELIMINATES

RATS, MICE, ROACHES, FLIES, MOSQUITOES AND OTHER FLYING & CRAWLING PESTS

The newly introduced PEST SENTRY (PS-1500) broadcasts high intensity ultrasonic waves on a continually changing frequency. This seriously affects the auditory and nervous systems of rats, mice, roaches, flies, mosquitoes and other flying and crawling pests.

While "resident" pests are completely eliminated in 2-6 weeks, PEST SENTRY will not harm people, household pets, birds, farm animals, plants or flowers, electronic alarms, TV receivers or related technical equipment. And...no new crawling or flying pests will enter a PEST SENTRY-protected area (1,500 to 2,000 sq. feet).

Using only 4 watts of power, the PEST SENTRY is an economical and professional way to eliminate crawling and flying pests without resorting to baiting and setting unreliable traps or spreading and spraying hard-to-control poisons and chemicals.

In addition...PEST SENTRY is easy-to-install and use. Just plug it into any 110 volt AC outlet, turn on the switch, and let PEST SENTRY introduce you to the benefits of utilizing this fully warranted, maintenance-free device that protects you from crawling and flying pests 24 hours a day. PEST SENTRY has a red indicator light and a low buzzing sound from the electronic components (not the ultrasound) to show that the unit is performing continuously. It is UL listed (85G4).

The PEST SENTRY can be adapted to DC operation and is available in various power supplies to meet export requirements. Suggested retail price is \$99.95.

Developed for indoor use, the PEST SENTRY is a professional answer for homes, restaurants, warehouses, schools, farm buildings (chicken coops, barns, out-buildings, storage silos), garages, retail stores, hospitals, nursing homes -- any indoor location where flying and crawling pests are a problem.

We would be pleased to provide you with additional information.

Cordially,

SENTRONIC CONTROLS CORP.

A handwritten signature in dark ink, appearing to read "Stanley B. Stewart". Below the signature, the name "Stanley B. Stewart" is printed in a small, sans-serif font.

SBS/aa  
enca.

- over -

DELIVERED CONTAINER ONLY

Complaint

EXHIBIT B-1-2

7/5/54  
 Dear Sir  
 I have a small  
 single apartment in L.A.  
 Is it OK to lease the  
 "PEST SENTRY" on continuous?  
 It is not harmful is it?  
 P.S. I really work.

*Signature*  
 Jack A. Murtz  
 9518 Laurel Canyon Blvd.  
 Hollywood, CA 91607

Albert Bros.

PAINTS - HARDWARE - MILL SUPPLIES  
Wholesale & Retail

2207 BELLMORE AVENUE • BELLMORE, NEW YORK 11710 • SUset 3-2262

Dear Mr. Stewart:

A month ago, we had a serious problem with rodents. We had mice in our main store and warehouses, they were destroying the packages of grass seeds and fertilizers. Since we installed the "Pest Sentry" Ultrasonic Soundwave Units, we have had no further problems with any rodents at all. We also noticed that the warehouses are free of insects. Please feel free to use me as a reference for any potential customers you may have.

Sincerely  
Mark Albert

*Signature*



Dear Mr. Stewart:

As you know, we had a serious problem concerning roaches and rodents. Since the installation of six of your "Pest Sentry" Ultrasonic Sound Wave System units, two months ago, we are happy to state that we have not seen any vermin in the affected areas in question.

Sincerely,

*Signature*  
 Steve Lombardo, Sr.  
 Finance Manager

Gentlemen:

It has now been approximately 6 weeks since we installed the "Pest Sentry" flying insect and rodent repeller in our fine chemical bottling room, an area that was mildly infested with cockroaches. I am pleased to report that since the installation of the "Pest Sentry" we have observed no roaches or crawling insects in this area. Very truly yours,  
 FANSTIEHL LABORATORIES, INC.  
*Signature*  
 Edward S. Holstein  
 Vice-President

## FEDERAL TRADE COMMISSION DECISIONS

Complaint

105 F.T.C.

EXHIBIT B-1-3

 **SENTRONIC CONTROLS CORP.**  
Suite 200 730 North LaSalle Street  
Chicago, Illinois 60610 Telephone (312) 787-1511

50 E. WOOD ROAD GRAFTON, WISCONSIN 53024 TELEPHONE (414) 377-6755

March 3, 1982

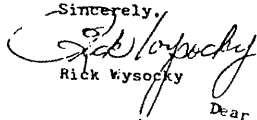
Gentlemen:

I would like to express our delight with the perfect results of our pest sentry. For over twelve years we have had field mice in our basement and each year hired a pest control service. After three months use of our pest sentry we have had no field mice, spiders or bugs in our basement area.

The results are phenomenal. I can only applaud the fantastic results we have had with this new innovation in pest control. It is simple to use, neat and clean and most important rids the property of the rodents in a most efficient manner.

May we add our compliments and applause to this sensational device. It really works and solves the pest control problem.

Sincerely,

  
Rick Wysocky

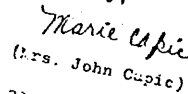
Dear Mr. Stewart:-

Feb. 5th, 1982.

We have a horrible infestation of roaches in our fifteen apartment building due to three dirty, lazy and belligerent men in one apartment.

After spending 375 in assorted spray liquid cans, powders, motels, bay leaves, bombs and Osage Orange, with no results, saw your ad in a December Sunday's paper made we run to the store immediately. Needless to say was plugged into work pronto and giving excellent results working twenty four hours without a stop.

Sincerely,

  
(Mrs. John Cupic)

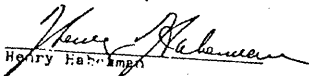
23-36 31st Road,  
L.I. City, N.Y. 11106

Chery, Dismant  
Martinique 97223  
French West Indies  
December 28, 1981

Gentlemen:

I purchased your Pest Sentry in New York, sometime in November of this year; and brought it down to my home in Martinique. Amazingly, I found it very workable; for there is a decided relief and difference between this and the past few years.

Very truly yours,

  
Henry Haberman

Complaint

EXHIBIT B-1-4

February 12, 1982

Dear Mr. Steward:

I switched units with my mother and her unit seems to be keeping the pests away, and while we were waiting for the replacement units she did have a mouse come in and begin chewing in the walls when she plugged my unit in, it stopped, I then added a replacement unit to the other end of the house, and she has not had a problem since. It would seem that the furniture etc. were just absorbing too much of the sounds.

Sincerely yours,

*Charles V. Feely Jr.*  
Charles V. Feely Jr.  
P. O. Box 43  
Brookfield, Illinois 60513

P.S. I would like to buy another unit too, so possibly would a co worker

S. It works very well.

I recently bought one of your pest Sentry from Hinkley's Dept Store in New York City.

Judith Kaplan #7  
101 West 160th St.  
NY 10032

I wish to purchase another one like the one I bought but the store no longer have them in stock

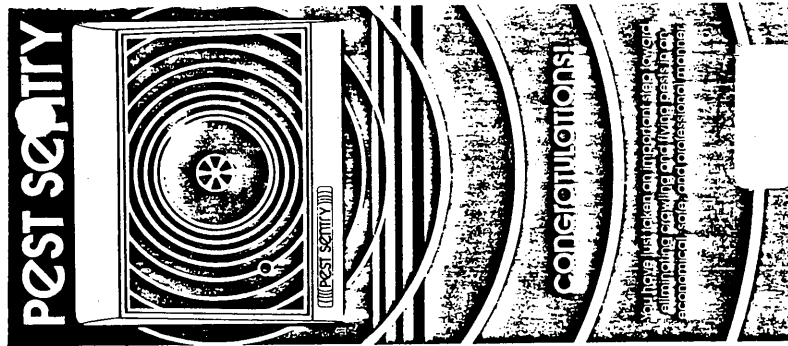
but as you see, it is in use about 3 weeks and I have seen results. I live in a 2 family house, after six weeks or so do I leave to buy leaving it on or can I have it off.

Please ship to my home COO

Thank you  
Mrs. Marie L. Krakowicz  
1052-27th St  
Astoria N.Y.  
11105

MYRA HANSHAW  
133 W. 90th Street  
apt 5D  
NEW YORK 10024  
NY.

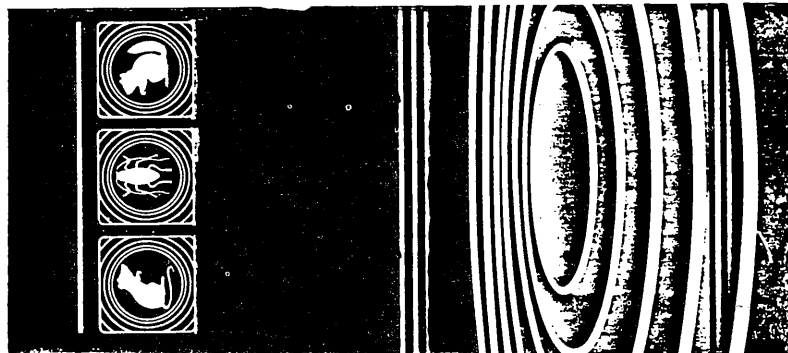
EXHIBIT B-2-1



**A WORD OF CAUTION:**

It takes 2 to 6 weeks to completely eliminate crawling and flying pests. Pests with favorite nests, hiding places and feeding stations will endure a high degree of pain before they give up their shelter, water and food sources. You will notice results in a few days and within 4 to 6 weeks you will be free of the entire list of crawling and flying pests as long as PEST SENTRY stands guard.

SENTRONIC CONTROLS CORP.  
730 North LaSalle St.  
Chicago, IL 60610









# PEST SENTRY

ELIMINATES FLYING AND CRAWLING PESTS... SAFELY, ECONOMICALLY... IN 2-6 WEEKS.



The professional  
ultrasonic sound  
wave system

## WITHOUT...

calling in expensive pest control services or spending your valuable time using poisonous powders, messy sprays, dangerous chemicals or unsightly traps.

PEST SENTRY is a compact (7 $\frac{1}{4}$ " W. x 7 $\frac{1}{4}$ " D. x 3 $\frac{1}{4}$ " H.) electronic, solid-state system that broadcasts high intensity ultrasonic waves on a continually changing frequency. The waves seriously affect the auditory and nervous system of rats, mice, roaches, flies, mosquitoes and other flying and flying pests. "Resident" pests can be totally eliminated in 2 to 6 weeks. And, you will be free of the entire list of "undesirables" for as long as you continue to use the PEST SENTRY. Plugging into any 110 volt AC outlet, the

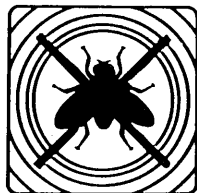
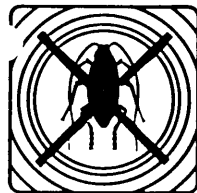
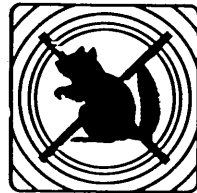
maintenance-free PEST SENTRY Ultrasonic Sound Wave System protects from 1500-2000 square feet in any indoor location. The PEST SENTRY operates on only 4 watts of electrical power. It's a professional answer to the age-old problem of pest control. The PEST SENTRY is perfect for homes, basements, garages, warehouses, factories, schools, retail stores, enclosed farm buildings, food service facilities, hospitals and nursing homes - any indoor location where crawling or flying pests are a problem.

 Sentricon Controls Corp.



Complaint

EXHIBIT B-4-2



**PEST SENTRY** simply plugs into any 110 volt AC outlet. It uses only 4 watts of power—making it an economical as well as professional way to eliminate crawling and flying pests.

**PEST SENTRY**

will not harm people,  
household pets,  
farm animals,  
plants, birds, flowers.

---

**PEST SENTRY**

will not interfere with electronic burglar and fire alarms, TV reception or other sophisticated electronic devices.

---

**PEST SENTRY**

eliminates setting unreliable traps, using messy and often dangerous chemicals and hard-to-control poisonous sprays.

**THE PEST SENTRY**

Protects indoor facilities from:

- Rats
- Mosquitoes
- Mice
- Waterbugs
- Flies
- Chipmunks
- Roaches
- Squirmels

and other kinds of crawling and flying pests. Research data available upon request from manufacturer.

**SPECIFICATIONS:**

Dimensions ..... 7 $\frac{1}{2}$ " W x 7 $\frac{1}{2}$ " D x 3 $\frac{1}{2}$ " H  
 Power ..... 105-120 Volts  
 Supply ..... AC 60 Cycle  
 Power Consumption ..... 4 Watts  
 Shipping Weight ..... 2 lbs  
 Packed ..... 12 to master or individually  
 Frequency ..... Random frequency sweep  
 Range ..... 30,000 - 60,000 Hz

**INSTALLATION:**


Simply remove your new PEST SENTRY and plug it into any 110 volt AC outlet. Turn the switch to "on" and make sure the red indicator light goes on. You will hear a very low buzz coming from the electronic components which is not the ultrasound that eliminates crawling and flying pests.


**A WORD OF CAUTION:**

It takes 2 to 6 weeks to completely eliminate crawling and flying pests. Pests with favorite nests, hiding places and feeding stations will endure a high degree of pain before they give up their shelter, water and food sources. You will notice results in a few days and within 4 to 6 weeks you will be free of the entire list of crawling and flying pests as long as PEST SENTRY "stands guard."

**PEST SENTRY**

The Professional  
Ultrasonic Sound Wave System

 **SENTRONIC CONTROLS CORP.** Suite 200 • 730 N. LaSalle St. • Chicago, IL 60610 • (312) 787-1511

This Product is Listed by  
**UNDERWRITERS LABORATORIES INC.**   
and Bears the Mark: 85G4

Distributed by



EXHIBIT C-1 (CONT'D)

Daily News, Sunday, December 18, 1981

**Pest Sentry is a revolutionary new concept in indoor pest control. A compact, (7-1/8x7-3/8x3-3/8") electrical solid state unit that broadcasts high frequency ultrasonic waves to drive pests away in droves.**

**Ultrasonic waves cause pests discomfort. The ultrasonic waves affect the nervous and auditory systems of bothersome insects and rodents, causing them discomfort. Rather than endure this, they leave.**

**It's simple and economic to operate. It plugs into any 110 volt AC outlet. You can leave the Pest Sentry on day and night because it draws only 4 watts of power. The Pest Sentry is maintenance free, requires no messy chemicals, no emptying or disposal.**

99.95

People, dogs, cats, birds, plants, and flowers are not affected. Not one electronic system like your TV, microwave oven and burglar alarm. Only insects and rodents will hear the sound. And run from it!

One Pest Sentry covers 1800-2000 square feet. The Pest Sentry covers an entire apartment, not just one room like other machines. The sound will penetrate doors, drywall and plastered rooms.

GIMBELS

**You will see results in 2-4 weeks! There will be an improvement in a few days and by six weeks time you will be free of annoying pests.**

**Consider this - The Pest Sentry is ideal for apartments, homes, schools, warehouses, restaurants and stores. We all know how high the cost of exterminating can be and how many follow-up visits it may take to solve your problem. Take an important step towards eliminating crawling and flying pests in an economical, safe and professional manner. Model #PS15000.1**



PHONE (DDAY)  
CALL 736 5'00

In order to be eligible for the money-back guarantee, you must be satisfied with the results of using the Pest Sentry for 30 days. If you are not satisfied, you may return the Pest Sentry for a full refund. Please allow 4-6 weeks for the refund to be processed. Add 2.00 for delivery plus applicable sales tax. Item, no s.o.d.a. Change if on your Gimbel's account. Mail and phone orders accepted. Add 2.00 for delivery plus applicable sales tax. Item, no s.o.d.a. Small Business (P. 871), Eighth Floor, Gimbel's Broadway at 3rd Street, (212) 736-5000; Gimbel's East of Main Street, (212) 368-3300; Hudsonwater, (212) 463-7700; Paramus, (212) 463-3300; Rosemead Plaza, Valley Stream, (516) 941-4300.

**INTRODUCTORY OFFER ONLY**  
**\$79.50**

**PEST SENTRY**  
eliminates flying and crawling pests... safely... economically... in 2 to 6 weeks



The professional ultrasonic sound wave system

PEST SENTRY simply plugs into any 110 volt AC outlet. It uses only 4 watts of power — making it an economical as well as professional way to eliminate crawling and flying insects.

**THE PEST SENTRY**

Protects indoor facilities from:

- Bats
- Mosquitoes
- Mice
- Fleas
- Bees
- Squirrels

and other kinds of crawling and flying pests. Research data available upon request from manufacturer.

**SPECIFICATIONS:**

Dimensions: 7 1/2" W x 4 1/4" L x 3 1/4" H  
 Power: 25-00 Volt  
 Supply: AC, 60 Cycle  
 Power Consumption: 4 Watts  
 Shipping Weight: 2 lbs.  
 Packed: 10 to make or individually  
 Frequency Range: Random frequency sweep: 30,000 - 60,000 Hz

**INSTALLATION:**

Simply remove your new PEST SENTRY and plug it into any 110 volt AC outlet. Turn the switch to "on" and make sure the red indicator light goes on. You will hear a very low "buzz" coming from the electronic components which is not the ultrasound that eliminates crawling and flying pests.

**A WORD OF CAUTION:**

It takes 2 to 6 weeks to completely eliminate crawling and flying pests. Pests with burrowed nests and feeding stations will endure a high degree of pain before they give up their shelter, water and food sources. You will notice results in a few days and within 4 to 6 weeks you will be free of the entire lot of crawling and flying pests as long as PEST SENTRY stands guard!

**NEUKAM & ROTHERT S&T**  
 Phone 536-3923 — Holland, Indiana  
 So Much More Than A Hardware Store

**SAY GOOD-BYE TO ANNOYING PESTS!**

Let PEST SENTRY eliminate roaches, rats, mice, mosquitoes, flies, waterbugs and other crawling and flying pests from your home.



**PEST SENTRY**

**ONLY \$99.95**

**A DENVER STORE DENVILLE HARDWARE**  
 Everything You Need Starts to Build

Phone 298-8888  
 627-2980



**PEST SENTRY**

Complaint

EXHIBIT C-2-2

**NOW ELIMINATE**  
FLYING AND CRAWLING  
PESTS: RATS, MICE, ROACHES,  
MOSQUITOES, FLIES, WATERBUGS  
**ULTRASONICALLY**



The PEST SENTRY is a compact, solid state system that broadcasts high intensity ultrasonic waves at changing frequencies. These waves seriously affect the auditory & nervous system of crawling & flying pests. PEST SENTRY ~~kills~~ resident pests in 2 to 6 weeks & protects a 1,500 to 2,000 sq. ft. area from further pest invasions. PEST SENTRY is for indoor use anywhere pests are a problem.

Reg. \$99.99  
**SALE \$79.99**

Ideal for restaurants, businesses, and homes

- Plugs into any 110 volt AC outlet
- Uses only 4 watts of power

**WITHOUT...**  
calling in expensive pest control services or spending your valuable time using poisonous powders, messy sprays, dangerous chemicals or unsightly traps. Will not harm people, household pets, farm animals, birds, plants, flowers. Will not interfere with electronic burglar & fire alarms, TV reception or other sophisticated electronic devices.

**True Value**  
HARDWARE STORES

HOURS: M-F 8:30-6:30, SAT 8:30-6, SUN 10-2  
7532 N. ARMENIA 933-1500  
(Between Sligh and Waters)



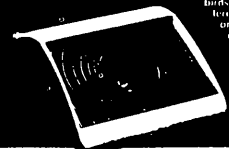
**NEW!**  
**Pest Sentry**

Ultrasonically eliminates flying and crawling pests. Protects Area 1500-2000 Sq. Ft. Uses only four watts of power. Will not harm people, dogs, cats and plants. No PS 15.

Reg. \$99.99  
**\$79.88**  
SAVE \$20 Ea.

**ULTRA-EFFECTIVE Pest Eliminator**

Pest Sentry eliminates flying and crawling pests without deadly chemicals, unsightly traps, or expensive (and often ineffectual) pest control services. It broadcasts high intensity ultrasonic waves that actually drive pests away by affecting their auditory and nervous systems. Flies, mosquitoes, chipmunks, squirrels, rodents, and roaches - gone completely in 2 to 6 weeks! And they stay away as long as Pest Sentry stands guard. It's safe for people, household pets, farm animals, birds, plants, and flowers. Won't interfere with TV reception, electronic burglar or fire alarms, or other sophisticated electronic devices. Just plug it into any AC outlet. It draws only 4 watts. One ultrasonic and six ultra effective frequencies protect up to 2000 feet<sup>2</sup> in homes, warehouses, stores, farm buildings, anywhere pests are a problem.



PS15000 \$99.95

# Shop Hess's For Your Needs...



**The Professional Ultrasonic Sound Wave System**

**SAVE \$19!**  
**Pest Sentry Eliminates Flying and Crawling Pests**

**\$80**  
 reg. 99.99

Eliminate resident pests in 2-6 weeks. High intensity ultrasonic waves seriously affect the auditory system of rats, mice, roaches, flies, mosquitoes and other flying and crawling pests.

HARDWARE

- Will not harm people, pets, or plants . . . .
- Will not interfere with electronic alarms or TV reception . . . .
- Eliminates unreliable traps, messy chemicals.

EXHIBIT C-2-4

**NOW Eliminate...**

Flying & crawling pests, rats, mice, roaches, flies, mosquitoes, waterbugs & other pests...

**ULTRASONICALLY!**



The PEST SENTRY is a compact, solid state system that broadcasts high intensity ultrasonic waves at changing frequencies. These waves seriously affect the auditory & nervous system of crawling & flying pests. PEST SENTRY kills resident pests in 2 to 6 weeks & protects a 1500 to 2000 sq. ft. area from further pest invasions. PEST SENTRY is for indoor use anywhere pests are a problem!

**PEST SENTRY**  
Ideal for restaurants, businesses, offices & homes!

<p><b>PEST SENTRY</b></p> <p>will not harm people, household pets, farm animals, birds, plants, flowers.</p>	<p><b>PEST SENTRY</b></p> <p>will not interfere with electronic burglar and fire alarms, TV reception or other sophisticated electronic devices.</p>	<p><b>PEST SENTRY</b></p> <p>eliminates setting unreliable traps, using messy chemicals and hard-to-control poisonous sprays.</p>
--	--	---

**only \$88<sup>88</sup> at**

**FOREST CITY**

West Side  
 • 10800 Brookpark Rd.  
 • 8201 Day Drive  
 • 2001 Center Ridge Rd.

East Side  
 • 6420 Mayfield Rd.  
 • 436 Northfield Rd.  
 • 7830 Plaza Drive  
 • 17905 St. Clair Ave.

Complaint

105 F.T.C.

EXHIBIT C-2-5

## SAY GOOD-BYE TO ANNOYING PESTS!

Let **PEST SENTRY** eliminate  
roaches, rats, mice, mosquitoes, flies,  
waterbugs and other crawling and flying  
pests from your home.



Pest Sentry is a revolutionary new concept in indoor pest control. A compact, (7 1/2 x 7 1/2 x 3 1/2") electrical solid state unit that broadcasts high frequency ultrasonic waves to drive pests away in droves.

Ultrasonic waves cause pests discomfort. The ultrasonic waves affect the nervous and auditory systems of bothersome insects and rodents, causing them discomfort. Rather than endure this, they leave.

It's simple and economic to operate. It plugs into any 110 volt AC outlet. You can leave the Pest Sentry on day and night because it draws only 4 watts of power.

People, dogs, cats, birds, plants, and flowers are not affected. Nor are electronic systems like your TV, microwave oven and burglar alarm. Only insects and rodents will hear the sound. And run from it!

One Pest Sentry covers a very large area, 1500-2000 sq. ft. (10,000 cubic ft. for 8 ft. ceilings). The Pest Sentry sound will penetrate doors, drywall and plastered rooms.

You will see results in 2-4 weeks! There will be an improvement in a few days and by six weeks time you will be free of annoying pests.

Consider this — The Pest Sentry is ideal for apartments, homes, schools, warehouses, restaurants and stores. We all know how high the cost of exterminating can be and how many follow-up visits it may take to solve your problem. Take an important step towards eliminating crawling and flying pests in an economical, safe and professional manner.

ONLY **\$99.95**

Atlantic Aluminum  
Paddlers Village  
Monasquan, N.J.

Atlantic Aluminum Products  
Lavallette, N.J.

Energy Cave  
Forked River, N.J.

A's Garden Center  
Lanoka Harbor, N.J.

Hendrick's Equipment Co.  
Howell, N.J.

Distributed by Elmc Distributors Inc., Parsippany, N.J.

Complaint

EXHIBIT C-2-6

**NOW ELIMINATE**  
**FLYING AND CRAWLING PESTS - RATS - MICE**  
**ROACHES - MOSQUITOES - FLIES - WATERBUGS**  
**ULTRASONICALLY**



The new high technology PEST SENTRY is a compact (7 1/2" x 7 1/2" x 2 1/2") electronic sound wave system that broadcasts high intensity ultrasonic waves on a continuous changing frequency. The ultrasonic waves naturally affect the auditory and nervous system of rats, mice, roaches, flies, mosquitoes, and other crawling and flying insects. PEST SENTRY will eliminate any crawling or flying pests and other insects (up to 2000 sq. feet) and is safe (causing no flying pests and other insects to die).

Designed for indoor use, the PEST SENTRY is a professional grade device for homes, restaurants, hotels, schools, farm buildings, garages, shops, bars, and buildings (storage bins) garages, retail stores, hospitals, nursing homes, and any other location where flying and crawling pests are a problem.

**PEST SENTRY**  
 will not harm people  
 household pets  
 birds  
 fish  
 reptiles  
 amphibians  
 and other mammals

**PEST SENTRY**  
 will not harm cats and dogs  
 birds  
 fish  
 reptiles  
 amphibians  
 and other mammals

**PEST SENTRY**  
 will not harm people  
 household pets  
 birds  
 fish  
 reptiles  
 amphibians  
 and other mammals


Available now at these participating Dealers!

<b>CAROL STREAM</b> E-G Home Center 110 E. North Ave.	<b>DOWNERS GROVE</b> E-G Home Center 1112 Ogden Ave.	<b>LA GRANGE</b> Gee Lumber 15 North Spring	<b>PLAINFIELD</b> Gee Lumber 215 Main St.
<b>DARIEN</b> Hardy Andy Home Improvement Center 7415 Cass Avenue	<b>HINSDALE</b> Gee Lumber 30 S. Lincoln	<b>LEMONT</b> Lemont Hardware 102-106 Stephen Street	<b>VILLA PARK</b> Gee Lumber 207 W. St. Charles Road

**ULTRA-EFFECTIVE Pest Eliminator.**

Pest Sentry eliminates flying and crawling pests without deadly chemicals, unsightly traps, or expensive (and embarrassing) pest control services. It broadcasts high intensity ultrasonic waves that actually drive pests away by affecting their auditory and nervous systems. Flies, mosquitoes, chigonaes, spiders, roaches, and cockroaches, gone completely as they work! And the good news is that being a Pest Sentry household is safe for people, household pets, farm animals, birds, plants, and flowers. Won't interfere with TV reception or change the color of your plants. In other words, it's called the home defense and pest control device. At only \$99.95, only \$6 walls. One ultrasonic unit is sufficient for an area up to 2000 sq. ft. in homes, schools, houses, stores, farm buildings, anywhere pests are a problem.

PS15000 \$99.95



## 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, their attorneys, 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, 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 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, 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. Respondents Sentronic Controls Corporation and International Marketing and Manufacturing, Inc. are Illinois corporations with their offices and principal places of business located at 730 North LaSalle Street, Chicago, Illinois.

Respondent Unigraf, Inc. is an Illinois corporation with its principal place of business located at 60 West Erie Street, Chicago, Illinois.

Respondent Stanley Stewart is an officer of SCC and an officer of IMM. Respondent Anne K. Stewart is an officer of IMM. Respondent Richard Muller is a director of SCC and an officer and director of Unigraf.

As such, the individual respondents formulate, direct and control the policies, acts and practices of said corporations, and their business addresses are the same as those for said corporations.

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.

