

*It is further ordered,* That the aforesaid respondents, ATD Catalogs, Inc., Hoffman Sales & Distributing Co., Inc., The Jay Mills Company, M & A Wares Co., Inc., West Texas Wholesale of Amarillo, Inc., Lee Hildebrand, Jay Mills, George Kahn, Jack R. Hoffman, Harold L. Cantor, Ernest H. Coonrod, Willard S. Cantor, Sidney Hildebrand, and Jacob Hildebrand, 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.

*It is further ordered,* That within thirty (30) days of service of this order upon him respondent James V. Cariddi may file a properly sworn affidavit to substantiate the factual statements in his motion filed June 5, 1964, requesting that the consent order be set aside and the complaint dismissed as to him.

*It is further ordered,* That complaint counsel may, within thirty (30) days of the service of Cariddi's affidavit on him, advise the Commission whether he has any reason to question the factual content thereof.

*It is further ordered,* That enforcement of the cease and desist order as to respondent James V. Cariddi and his duty to comply therewith be, and it hereby is, suspended until further order of the Commission. Commissioner Reilly not participating.

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IN THE MATTER OF

SANTA'S OFFICIAL TOY PREVUE, INC., ET AL.

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

*Docket 8231. Complaint, Dec. 22, 1960—Decision, Apr. 3, 1964\**

Consent order requiring a Philadelphia association of toy jobbers engaged in publishing and distributing annually to retail outlets throughout the United States catalogs illustrating toys, to cease inducing or receiving from toy suppliers payments for advertising in such catalogs furnished by respondents in connection with the sale of the suppliers' products, when they knew or should have known, that proportionally equal payments were not made available to all the suppliers' customers competing with respondents.

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

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\*Reported as modified by order of Commission dated July 9, 1964.

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Trade Commission, having reason to believe that the parties respondent named in the caption hereof 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 as follows:

PARAGRAPH 1. Respondent Santa's Official Toy Prevue, Inc., is a corporation organized and doing business under the laws of the State of Pennsylvania, with its principal office and place of business located at 319 North Eleventh Street, Philadelphia 7, Pennsylvania. The stock of this corporate respondent is owned by individual respondents David W. Ring and Maurice W. Ring. Individual respondents are the officers and directors of respondent Santa's Official Toy Prevue, Inc. They direct, formulate and control the acts, practices and policies of Santa's Official Toy Prevue, Inc.

Individual respondents David W. Ring and Maurice W. Ring, in addition to owning the stock of Santa's Official Toy Prevue, Inc., also own the stock and control the acts, practices and policies of Ring Brothers, Inc., a wholesaler of toy products named as a respondent in the caption hereof.

Respondent Ring Brothers, Inc., is a corporation organized and doing business under the laws of the State of Pennsylvania, with its principal office and place of business located at 319 N. Eleventh Street, Philadelphia 7, Pennsylvania.

Respondent ABC Toy Company is a corporation organized and doing business under the laws of the State of Pennsylvania, with its principal office and place of business located at 1421 Pennsylvania Avenue, Pittsburgh, Pennsylvania.

Respondents Morton Spolter and Arnold Spolter are copartners, doing business as Armor Sales Company, with their principal office and place of business located at 580 Kerr Street, Columbus, Ohio.

Respondent Mrs. Howard Armstrong is an individual doing business as American Art Products Company, with her principal office and place of business located at 210 S. Pennsylvania Street, Indianapolis 4, Indiana.

Respondents Albert Baldwin, Sr., and D.B.S. Baldwin are copartners, doing business as Baldwin Supply Company, with their principal office and place of business located at 513 South Peters Street, New Orleans 12, Louisiana.

Respondent Beacon Sales Co. is a corporation organized and doing business under the laws of the State of Florida, with its principal office and place of business located at 1080 East Fifteenth Street, Hialeah, Florida.

Respondent Vincent D. Botto is an individual doing business as V. F. Botto & Company, with his principal office and place of business located at 124 North Court Avenue, Memphis 3, Tennessee.

Respondents Edward Feldman, Louis Feldman and Philip Feldman are copartners, doing business as Capitol Distributors, with their principal office and place of business located at 57 Jackson Street, Worcester, Massachusetts.

Respondent Frank Marescalco is an individual doing business as Central Distributing Toy Co., with his principal office and place of business located at 6721 28th Avenue, Kenosha, Wisconsin.

Respondent Joseph F. Crans is an individual doing business as Crans Supply Co., with his principal office and place of business located at 201 Twentieth Street, Huntington, West Virginia.

Respondent Samuel Link is an individual doing business as E&S Merchandising Co., with his principal office and place of business located at 276 Hudson Avenue, Albany 10, New York.

Respondent Funtime Distributors, Inc., is a corporation organized and doing business under the laws of the State of New Jersey, with its principal office and place of business located at 578 East Nineteenth Street, Paterson, New Jersey.

Respondent Halco Sales Co., Inc., is a corporation organized and doing business under the laws of the State of Massachusetts, with its principal office and place of business located at 208 Camden Street, Boston 18, Massachusetts.

Respondent James M. Kidd is an individual doing business as Kidd Wholesale Company, with his principal office and place of business located at North Cobb Street, Milledgeville, Georgia.

Respondent M. Maurice Kind is an individual doing business as M. Maurice Kind Novelty Co., with his principal office and place of business located at 108 First Avenue, Seattle, Washington.

Respondent Long-Lewis Hardware Company is a corporation organized and doing business under the laws of the State of Alabama, with its principal office and place of business located at 2000-2030 Second Avenue, North Bessemer, Alabama.

Respondent Maines Candy and Paper Company, Inc., is a corporation organized and doing business under the laws of the State of New York, with its principal office and place of business located at 28-36 Sherman Place, Binghamton, New York.

Respondents Max Pikelny, Leo Pikelny and Seymour Pikelny are copartners, doing business as Mid-West Briar Pipe Co., with their principal office and place of business located at 2727-29 Lincoln Avenue, Chicago 14, Illinois.

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Respondent Mary Milner is an individual doing business as David Milner & Co., with her principal office and place of business located at 121 South Street, Baltimore 2, Maryland.

Respondent Ari Newman is an individual doing business as Newman's Wholesale Distributors, with his principal office and place of business located at 8 Milk Street, Portland, Maine.

Respondent Onondaga Hobby & Toy Co., Inc., is a corporation organized and doing business under the laws of the State of New York, with its principal office and place of business located at 507 E. Water Street, Syracuse 2, New York.

Respondent N. D. Orum Company is a corporation organized and doing business under the laws of the State of Wisconsin, with its principal office and place of business located at 407 North Water Street, Milwaukee 2, Wisconsin.

Respondent Meyer Burg and Morris Belausky are copartners, doing business as Paramount Merchandise Co., with their principal office and place of business located at 932 Broadway, New York, New York.

Respondent Public Service Paper Company, Inc., is a corporation organized and doing business under the laws of the State of Maine, with its principal office and place of business located at 47 Maple Street, Burlington, Vermont.

Respondent Louis M. Saunders Co., Inc., is a corporation organized and doing business under the laws of the State of Virginia, with its principal office and place of business located at 1160 Tidewater Drive, Norfolk, Virginia.

S. E. Sanders Company, Incorporated, is a corporation organized and doing business under the laws of the State of North Carolina, with its principal office and place of business located at 518 Kenilworth Road, Asheville, North Carolina.

Respondents Myer Mont, and Janet Mont are copartners, doing business as Schenectady Paper & Toy Co., with their principal office and place of business located at 16-18 Broadway, Schenectady, New York.

Respondent Shepher Distr's and Sales Corp., is a corporation organized and doing business under the laws of the State of New York, with its principal office and place of business located at 302-310 Elton Street, Brooklyn 8, New York.

Respondent Standard Paper & Merchandise Company Incorporated, is a corporation organized and doing business under the laws of the State of Massachusetts, with its principal office and place of business located at 42 Waltham Avenue, Springfield, Massachusetts.

Respondent Tak-A-Toy Corp. of Washington, is a corporation organized and doing business under the laws of the District of Co-

lumbia, with its principal office and place of business located at 920 Girard Street, N.E., Washington, D.C.

Respondent Irving I. Bimstein, Sr., and Mrs. Irving I. Bimstein, Sr., are copartners, doing business as Tip Top Merchandise Co., with their principal office and place of business located at 313-2nd Avenue, No., Nashville 3, Tennessee.

Respondent Toy Novelty Co., is a corporation organized and doing business under the laws of the State of New York, with its principal office and place of business located at 3455 White Plains Road, Bronx 67, New York.

Respondents E. D. Westerman, and R. H. Westerman, are copartners, doing business as Uneeda Toy Company, with their principal office and place of business located at 395 Ocean Avenue, Jersey City 5, New Jersey.

Respondent E. Winick & Co., Inc., is a corporation organized and doing business under the laws of the State of New York, with its principal office and place of business located at 3455 White Plains Road, Bronx 67, New York.

Respondent Seymour Lieberman is an individual doing business as Seymour Lee Co., with his principal office and place of business located at Town Dock Road, New Rochelle, New York.

Respondent L. D. Friedland is an individual doing business as L. D. Friedland Co., with his principal office and place of business located at 328-334 Marietta Street, N.W., Atlanta 2, Georgia.

All of the foregoing corporate, partnership and single proprietorship respondents have been, and are now, members of respondent Santa's Official Toy Prevue, Inc.

PAR. 2. Santa's Official Toy Prevue, Inc., is an association composed of toy wholesale distributors or jobbers, named herein as corporate, partnership and single proprietorship respondents, who sell and distribute their toy products to retail outlets located in various States of the United States. Respondent Santa's Official Toy Prevue, Inc., has been engaged, and is presently engaged, in the business of publishing and distributing annually on behalf of the wholesaler members catalogs illustrating toys. The catalogs are published and distributed under the title "Santa's Official Toy Prevue." Various manufacturers of toys have been and are now advertising their toys in said catalogs. Respondent members of respondent Santa's Official Toy Prevue, Inc., have sold and distributed and presently sell and distribute, their catalogs to retail outlets located throughout the United States.

The wholesaler members of corporate respondent Santa's Official Toy Prevue, Inc., by a majority vote select both the advertisers and the toy products that are to be illustrated in the catalogs published by said corporate respondent.

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PAR. 3. Respondents, in the course and conduct of their businesses, have engaged, and are presently engaged, in commerce, as "commerce" is defined in the Federal Trade Commission Act. Respondents purchase their products from many toy suppliers located throughout the various States of the United States and cause such products to be transported from various States in the United States to other States for distribution and sale by respondents to retail outlets. There is now, and has been, a constant current of trade in commerce in said products between and among the various States of the United States.

In addition, respondents published, or caused to be published, toy catalogs which they sell and distribute to retail outlets located in various States of the United States.

PAR. 4. In the course and conduct of their businesses in commerce, said respondents have been, and are now, in competition with other corporations, partnerships and individuals in the sale and distribution of toy catalogs to retail outlets, and in the sale and distribution of toy products to said retail outlets.

PAR. 5. Respondents, in the course and conduct of their businesses in commerce, knowingly induced or received, or contracted for the payment of promotional payments or allowances from various toy suppliers which were not offered or made available on proportionally equal terms to all other customers of such suppliers competing with respondents in the distribution of said suppliers' toy products.

Respondents, as publishers and distributors of toy catalogs induced or received payments or allowances from the aforesaid suppliers in connection with the promotion and advertising of their products in respondents' catalogs. Respondents knew, or should have known, that said payments or allowances which they induced or received were not granted or offered on proportionally equal terms to all other of said suppliers' customers competing with respondents in the distribution of said suppliers' products. Said payments were made to Ring Brothers, Inc., acting on behalf of respondent association. The payments to said association for 1959, exceeded \$57,000. Among the toy suppliers granting promotional payments or allowances to respondents in 1959 were:

Toy suppliers:	<i>Approximate payments granted to respondents</i>
Mattel, Inc.....	\$825
Aurora Plastic Corp.....	550
Kohner Bros., Inc.....	550
Halsam Products Co.....	1,100
Porter Chemical Co.....	825
Revell, Inc.....	550
Multiple Products Corp.....	550

