

indirectly, more than one (1) percent of the outstanding shares of common stock of Marquette Cement Manufacturing Company, or to any purchaser who is not approved in advance by the Federal Trade Commission.

It is further ordered, That for a period of ten (10) years respondent shall cease and desist from acquiring, directly or indirectly, without the prior approval of the Federal Trade Commission, the whole or any part of the share capital or other assets of any corporation engaged in the sale of ready-mixed concrete or concrete products within respondent's present or future marketing area for portland cement or which purchased in excess of 10,000 barrels of portland cement in any of the five (5) years preceding the merger.

It is further ordered, That Marquette Cement Manufacturing Company shall, within sixty (60) days from the date this order becomes final and every ninety (90) days thereafter until divestiture is fully effected, submit to the Commission a detailed written report of its actions, plans, and progress in complying with the provisions of this order and fulfilling its objectives. All reports shall include, among other things that will be from time to time required, a summary of all contracts and negotiations with potential purchasers of the stock and/or assets to be divested under this order, the identity of all such potential purchasers, and copies of all written communications to and from such potential purchasers.

Commissioner MacIntyre did not participate.

IN THE MATTER OF

MARCUS BROTHERS TEXTILE CORPORATION, ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE TEXTILE FIBER PRODUCTS
IDENTIFICATION ACTS

Docket C-1477. Complaint, Jan. 8, 1969—Decision, Jan. 8, 1969

Consent order requiring a New York City converter of greige textile fabrics to cease misbranding its textile fiber products, misrepresenting that it has mills and factories, and failing to maintain required records.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Marcus Brothers Textile Corporation, a corporation, and Samuel A. Marcus, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and Rules and Regulations promulgated under the Textile Fiber Products Identification 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 Marcus Brothers Textile Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Samuel A. Marcus is an officer of said corporation. He formulates, directs and controls the acts, practices and policies of the corporate respondent including the acts and practices hereinafter referred to.

Respondents are converters of greige textile fabrics for the women's wear manufacturing trade, with their office and principal place of business located at 1450 Broadway, New York, New York.

PAR. 2. Respondents are now and for some time last past have been engaged in the introduction, delivery for introduction, manufacture for introduction, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and in the importation into the United States, of textile fiber products; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which have been advertised or offered for sale in commerce; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products, either in their original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 3. Certain of said textile fiber products were misbranded by respondents in that they were not stamped, tagged, labeled or otherwise identified to show each element of information

required under the provisions of Section 4(b) of the Textile Fiber Products Identification Act, and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded textile fiber products, but not limited thereto, were fabrics with labels on or affixed thereto which failed:

- (a) to disclose the true generic name of the fibers present; and
- (b) to disclose the name of the country where textile fiber products imported by them were processed or manufactured.

PAR. 4. Certain of said textile fiber products were misbranded in violation of the Textile Fiber Products Identification Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in that fiber trademarks were used in conjunction with required information on labels affixed to such fiber products, without the generic name of the fiber being set out in immediate conjunction therewith and in type or lettering of equal size and conspicuousness, in violation of Rule 17(a) of the aforesaid Rules and Regulations.

PAR. 5. Respondents have failed to maintain and preserve proper records showing the fiber content of the textile fiber products manufactured by them, in violation of Section 6(a) of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

PAR. 6. The acts and practices of respondents as set forth above were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices, in commerce, under the Federal Trade Commission Act.

PAR. 7. In the course and conduct of their business, respondents now cause, and for some time last past have caused their said products, when sold, 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 said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 8. In the course and conduct of their business, the aforesaid respondents, on certain of their gummed fabric labels attached to fabrics sold by them, used the term "Marbro Mills,"

thus stating or implying that respondents operate a mill or factory in which fabrics sold by them are manufactured.

PAR. 9. In truth and in fact, respondents do not own, operate, or control any mill or factory where the aforesaid fabrics or other products sold by them are manufactured, but are engaged solely in business as converters of greige textile fabrics for the women's wear manufacturing trade.

PAR. 10. There is a preference on the part of many members of the trade to buy products directly from mills or factories, in the belief that by so doing, certain advantages accrue to them, including lower prices.

PAR. 11. 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 products of the same general kind as that sold by respondents.

PAR. 12. 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 purchasers into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of substantial quantities of said respondents' products by reason of said erroneous and mistaken belief.

PAR. 13. The aforesaid acts and practices of respondents, as herein alleged in Paragraphs Eight through Twelve were, and are, all to the prejudice and injury of the public and of respondents' competitors, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices in commerce in violation of Section 5 (a) (1) of the Federal Trade Commission Act.

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 Textiles and Furs 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 Textile Fiber Products Identification Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an ad-

mission 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 Acts, 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 and having duly considered the comment filed thereafter pursuant to § 2.34 (b) of its Rules, now, in further conformity with the procedure prescribed in § 2.34 (b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Marcus Brothers Textile Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 1450 Broadway, New York, New York.

Respondent Samuel A. Marcus is an officer of said corporation and his address is the same as that of said corporation.

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

ORDER

It is ordered, That respondents Marcus Brothers Textile Corporation, a corporation, and its officers, and Samuel A. Marcus, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States, of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after

shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from:

A. Misbranding such products by:

1. Failing to affix a stamp, tag, label, or other means of identification to each such product showing in a clear, legible and conspicuous manner each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.

2. Using a fiber trademark in conjunction with the required information on labels affixed to said textile fiber products without the generic name of the fiber appearing on said labels in immediate conjunction therewith and in type or lettering of equal size and conspicuousness.

B. Failing to maintain and preserve records of fiber content of textile fiber products manufactured by them, as required by Section 6(a) of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

It is further ordered, That respondents Marcus Brothers Textile Corporation, a corporation, and its officers, and Samuel A. Marcus, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of textile fabrics or other products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Directly or indirectly using the word "Mills", or any other word or term of similar import or meaning in or as a part of respondents' corporate or trade name, or representing in any other manner that respondents perform the functions of a mill or otherwise manufacture textile fabrics or other products sold by them unless and until respondents own or operate, or directly and absolutely control the mill, factory or manufacturing plant wherein said textile fabrics or other products are manufactured.

2. Misrepresenting in any manner that respondents have

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mills, factories or manufacturing plants where their products are manufactured.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

It is further ordered, That the respondents herein 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 this order.

IN THE MATTER OF

MARLO FURNITURE CO. TRADING AS MARLO'S FURNITURE
WORLD, ET AL.

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

Docket 8745. Complaint, Sept. 27, 1967—Decision, Jan. 16, 1969

Order terminating a proceeding which charged a Washington, D.C., furniture and home furnishing store with using deceptive selling practices.

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 Marlo Furniture Company, a corporation, trading as Marlo's Furniture World, and Louis Glickfield, 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 Marlo Furniture Company, trading as Marlo's Furniture World, is a corporation organized, existing and doing business under and by virtue of the laws of the District of Columbia, with its principal office and place of business located at 901 7th Street, NW., in the city of Washington, District of Columbia.

Respondent Louis Glickfield is an officer of the corporate respondent. He formulates, directs and controls the acts and prac-

tices of the corporate respondent, including the acts and practices hereinafter set forth. His 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 furniture, home furnishings, and other merchandise at retail to members of the public.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said merchandise, when sold, to be shipped from their place of business in the District of Columbia to purchasers thereof located in various States of the United States and in the District of Columbia, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said merchandise in 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 their merchandise, respondents have made numerous statements in display advertisements inserted in newspapers with respect to variously designated sale events wherein a varying number of items were depicted, described and offered for sale.

Typical and illustrative of such statements are those made in connection with certain of respondents' sales events during which, among other items, identical 84" modern style sofas were depicted, described, and offered for sale, as follows:

<i>Publication</i>	<i>Date</i>	<i>Designation of event</i>	<i>Statement</i>
The Washington Post	Jan. 6, 1966	REMNANT SALE	(depiction) . . . All Remnants are reduced for immediate quick sale . . . NOW \$98.
The Washington Post	Jan. 17, 1966	\$100 DAY SALE	(depiction) . . . NOW \$100.
The Washington Post	Jan. 26, 1966	\$50 & \$100 DAY SALE	(depiction) . . . Fantastic price reduction . . . NOW \$100.
The Washington Post	Feb. 14, 1966	\$100 DAY SALE	(depiction) . . . Fantastic Price Reduction . . . NOW \$100.
The Washington Daily News	Mar. 29, 1966	9-HOUR CLEAR- ANCE SALE	(depiction) . . . NOW \$97.

PAR. 5. By and through the statements in their advertisements, as set out in Paragraph Four hereof, and others similar thereto but not specifically referred to herein, respondents represented, directly or indirectly, that each such advertised event was a sale in which all of the items depicted, described or offered therein, including the aforesaid sofas, were reduced substantially in price for the special reason designated therein.

PAR. 6. In truth and in fact, respondents' advertised events, as referred to in Paragraphs Four and Five above, were not sales in which all of the items depicted, described or offered therein, including the aforesaid sofas, were reduced substantially in price for the special reason designated therein. To the contrary, respondents' regular method of conducting business includes, among other practices, constant and repeated representations that their regularly advertised offers, however designated, are special sales events, as aforesaid.

Therefore, the statements and representations set forth or referred to in Paragraphs Four and Five hereof were and are false, misleading and deceptive.

PAR. 7. Typical and illustrative of other statements made by respondents in the course and conduct of their business, are those set forth in various classified advertisement columns of newspapers, including the following:

In "The Washington Post," issue of November 3, 1965:

FURN.—moved to Calif. Single girl has a modern apt. full of furniture. Cost \$627, sacrifice for \$268 if responsible party is interested in entire apt. I take back 2-year note. Call Mrs. Dillon, 638-4049.

In "The Washington Post," issue of November 13, 1965:

FURNITURE—I have 3 Rooms of Quality Used Furniture . . . orig. cost over \$500. Will take \$120 for everything. To make arrangements, call Miss Coleman, 638-5042 until 6:00 P.M.

PAR. 8. By and through the statements in their advertisements, as set out in Paragraph Seven above, and others similar thereto but not specifically referred to herein, respondents represented, directly or indirectly, that such were offers by private individuals attempting to dispose of personal belongings at prices substantially below the prices paid therefor by the advertiser.

PAR. 9. In truth and in fact, respondents' advertisements, as referred to in Paragraphs Seven and Eight above, were not offers by private individuals to dispose of personal belongings, or at prices substantially below the prices paid therefor by respondents. To the contrary, they were offers by respondents who

are operators of a commercial establishment for profit. Such offers were made pursuant to respondents' regular method of doing business, involving among other practices, constant and repeated representations that advertised furniture is being offered for sale by private individuals.

Therefore, the statements and representations set forth or referred to in Paragraphs Seven and Eight hereof, were and are, false, misleading and deceptive.

PAR. 10. Typical and illustrative of other statements made by respondents in the course and conduct of their business, are those set forth in display advertisements inserted in newspapers describing their products, including the following:

In "The Evening Star" issue of May 7, 1966:

. . . no-mar protected Extension Table, rich Walnut finish. . . .
Master Bedroom Suite, Nutmeg Maple Finish

By means of the aforesaid statements, and others similar thereto but not set forth specifically herein, respondents misrepresented the components and/or construction of such products by failing to disclose that in truth and in fact:

a. Products described as "no-mar protected" and by other similar statements describing protective or resistant characteristics or qualities, had exposed surfaces composed of plastic or other materials not possessing natural wood growth structure.

b. The term "rich walnut finish," "nutmeg maple finish," and other similar statements containing the name of a wood, were used to describe the grain design, color, stain, or other simulated finish of products, the exposed surfaces of which were composed of something other than the wood named.

Therefore, the statements and representations of respondents, by failing to disclose such material facts, as aforesaid, were and are false, misleading and deceptive.

PAR. 11. In the course and conduct of their business as aforesaid, respondents offer to extend credit to prospective purchasers of their merchandise. In a substantial number of instances, they require the deposit of a portion of the purchase price as down payment, and defer delivery pending their approval of the credit application. The purchase agreement signed by application. The purchase agreement signed by applicants for credit contains the following statement "* * * No verbal changes will be accepted. No cancellations accepted on this order. Deposits are not refundable * * * ."

In a substantial number of instances, after the purchaser has signed a purchase agreement, respondents have rejected the purchaser's credit application, or have failed to perform according to the agreement by failing to deliver within the agreed upon time or by substituting different merchandise from that which was ordered. In such cases, respondents have refused to refund the purchaser's deposit; instead they have offered the purchaser a credit allowance equal to the amount of the deposit.

In some instances, despite the statement in the agreement that deposits are not refundable, respondents' salesmen have orally represented to prospective purchasers that deposits were refundable. In a substantial number of instances where respondents' salesmen made such representations, respondents nevertheless refused to refund the deposit and instead offered the purchaser a credit allowance.

PAR. 12. By failing to disclose both orally and in writing that deposits were not refundable, or by orally misrepresenting that deposits were refundable, respondents have led purchasers to believe that deposits would be refunded if the credit applications were rejected or if respondents failed to perform according to the terms of the agreement. Therefore, respondents' failure to disclose orally as well as in writing that deposits are not refundable in such cases is false, misleading and deceptive and constitutes an unfair or deceptive act or practice.

PAR. 13. In the course and conduct of their business as aforesaid, respondents have failed to disclose to purchasers that, at respondents' option, conditional sales contracts, promissory notes, or other instrument of indebtedness executed by such purchasers in connection with their credit purchase agreements may be, and in a substantial number of instances have been, discounted, negotiated or assigned to a finance company or other third party to whom the purchaser is thereby indebted.

Therefore, respondents' failure to disclose such material fact, as aforesaid, was and is false, misleading and deceptive, and constituted, and now constitutes an unfair or deceptive act or practice.

PAR. 14. 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 furniture, home furnishings and other merchandise of the same general kind and nature as that sold by respondents.

PAR. 15. The use by respondents of the aforesaid false, mislead-

ing and deceptive statements, representations and practices and unfair or deceptive acts or 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 substantial quantities of respondents' products by reason of said erroneous and mistaken belief, and by reason of said unfair and deceptive acts or practices.

PAR. 16. 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 methods of competition in commerce and unfair and deceptive acts and practices in commerce, in violation of Section 5 of the Federal Trade Commission Act.

Mr. Sheldon Feldman and *Mr. William E. Barr* supporting the complaint.

Mr. Jacob A. Stein and *Mr. Glenn A. Mitchell* for respondents.

INITIAL DECISION BY EDGAR A. BUTTLE, HEARING EXAMINER

JULY 5, 1968

PRELIMINARY STATEMENT

On September 27, 1967, the Commission issued its complaint in this matter charging the respondents with violating Section 5 of the Federal Trade Commission Act by engaging in unfair methods of competition and unfair and deceptive acts in commerce. Specifically, the complaint can be described as involving five separate charges: (1) deceptive or fictitious pricing (Complaint, pars. 4-6); (2) deceptive classified ads (Complaint, pars. 7-9); (3) misrepresentation of the finish or composition of products (Complaint, par. 10); (4) misrepresentations concerning deposits (Complaint, pars. 11-12); and (5) failure to disclose that conditional sales contracts may be negotiated to lending institutions (Complaint, par. 13).

On October 13, 1967, counsel for the respondents filed a motion for a more definite statement. An answer in opposition was filed on October 25, 1967. The hearing examiner held a prehearing conference on October 30, 1967, at which time respondents were assured that full discovery would be permitted so as to obviate the need of a bill of particulars (Tr. 3-6). Subsequently, the hearing examiner entered an order dated October 31, 1967,

denying respondents' motion, but assured respondents that "complete discovery would be permitted before the commencement of hearings."

On November 6, 1967, respondents' answer was filed generally denying the allegations of the complaint. More particularly, respondents denied that the Commission "has reason to believe" that certain provisions of the Act were violated (Ans. par. 1). Further, that respondent Louis Glickfield did not direct the corporate respondents or the acts and practices set forth in the complaint (Ans. par. 3).

Prehearing conferences led to the clarification of many of the issues raised in the complaint and resulted in certain agreed procedures that facilitated and disposition of this matter. On November 15, 1967, the hearing examiner issued an order requiring both parties to give notification of documents and witnesses whose testimony was to be offered in evidence and the categorical purpose thereof.

Prior to the commencement of the hearings, complaint counsel took advantage of the Commission's Rules as they relate to discovery. On December 1, 1967, complaint counsel filed a request for admission of facts. Some of these requested admissions concerned advertisements published by the respondents. These were admitted. Others sought admission of conclusions of fact charged in the complaint. These were denied (see Respondents' Ans. dated Dec. 11 and 27, 1967). On December 18, 1967, complaint counsel filed a "Request for Admission of Genuineness of Documents and Supplemental Requests for Admission of Facts." Briefly, this request covered additional advertisements of the respondents and also sought an admission that respondents falsely represented that the advertised price was a sales price. Respondents filed an answer on January 15, 1968, objecting to the request on the grounds that complaint counsel were investigatively "fishing" for information in order to prepare their pre-trial submission as directed by the hearing examiner. At a prehearing conference held on January 23, 1968, the hearing examiner ordered respondents to answer specifically the supplemental request of complaint counsel. Thereafter, respondents admitted the authenticity and genuineness of the documents marked Commission's Exhibits 1 A-B through 72, denied certain material facts involved in this proceeding, and reserved the right to object to the introduction of certain documents in evidence on various grounds.

On January 15, 1968, complaint counsel filed a motion for an

extension of time in which to prepare its trial brief as ordered by the hearing examiner on November 15, 1967. The hearing examiner entered an order on January 16, 1968, giving complaint counsel until February 6, 1968, to file a brief allocating the evidence, furnishing a list of witnesses, and a description of documents.

Thereafter, complaint counsel sought further discovery by filing an application for an "order requiring access" under date of February 2, 1968, four days before their trial brief was due. In their application complaint counsel admit that "the staff did not seek the records" necessary to prove their case. They further stated that since they "had no way of knowing whether respondents would seek to confess and avoid, or deny the allegations concerning pricing" this order for access became necessary. Respondents filed a motion to quash the order on February 12, 1968, because it was believed that this constituted a comprehensive post-complaint investigation.

Complaint counsel filed the "Allocation of Evidence in Support of the Complaint" on February 15, 1968. Under the heading "B. Regular Selling Prices of Products Advertised" (p. 4), complaint counsel state that this issue will be proved after access is obtained to the records of respondents as ordered by the hearing examiner on February 2, 1968.

Thereafter, complaint counsel, on February 16, 1968, filed their third request for admissions seeking the genuineness of documents, including correspondence between respondents' counsel and an attorney investigator of the Commission (CX 4-8). On February 20, 1968, respondents objected to this third request and questioned the propriety of Commission counsel placing in evidence letters from counsel that were sent with a view to effecting an informal nonadjudicatory settlement of this matter. Respondents filed a motion to exclude on February 20, 1968, again pointing out that litigants are entitled to settle without having their overtures used as evidence (p. 2). On the same date, counsel for respondents filed an answer to this request contending that the request does not relate to relevant documents as required under Section 3.31 of the Commission Rules.

On February 27, 1968, the hearing examiner denied respondents' motion to quash the order of access. Respondents filed an appeal with the Commission which was subsequently denied (Order Denying Motion to Dismiss and Appeal from Hearing Examiner's Order, March 28, 1968 [73 F.T.C. 1250]).

