

Complaint

90 F.T.C.

IN THE MATTER OF

NATIONAL HOUSEWARES, INC., ET AL. - DOCKET 8733
EMDEKO INTERNATIONAL, INC., ET AL. - DOCKET 8973

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

Complaints, March 13, 1967, June 21, 1974 — Final Order, Nov. 18, 1977

This order, among other things, requires a Salt Lake City, Utah distributor of household products to cease engaging in package selling, as it is defined in the order, and to cease encouraging, advising or assisting others to engage in package selling. Additionally, the firm is required to maintain prescribed records for a period of five years.

Appearances

For the Commission: *John M. Porter, Gerald E. Wright and Ralph E. Stone.*

For the respondents: *Bierbower & Rockefeller, Washington, D.C.*

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 National Housewares, Inc., a corporation, and Easy Pipella, Keith Bigler, David Bigler, Michael Pipella and Edward Gilson, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent National Housewares, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Utah, with its principal office and place of business located at 1260 East Vine St., Salt Lake City, Utah.

Respondents Easy Pipella, Keith Bigler, David Bigler, Michael Pipella and Edward Gilson are officers of said corporation. They formulate, direct and control the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. Respondent Michael Pipella's business address is 3645 Tenth Ave. South, Great Falls, Montana. Edward Gilson's address is 1624 West Anaheim, Harbor City, California. The address of the other officers is the same as that of the corporate respondent.

[2] PAR. 2. Respondents are now, and for some time last past have

been, engaged in the advertising, offering for sale, sale and distribution of household appliances, books, tools and other merchandise to dealers who in turn resell such items to 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 State of Utah and from their suppliers, located in various States of the United States, to their dealers located in various 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. 4. In the course and conduct of their aforesaid business, and for the purpose of inducing the purchase of their said products by the consuming public, respondents supply printed sales presentations and promotional sales materials including brochures, form letters, questionnaires, cards, and other oral and printed information, to said dealers for distribution and for their use in making oral sales presentations, all of which they use, in promoting the sale of said products to the consuming public.

Based on the information and suggested representations and other data contained in the aforesaid sale presentations and promotional sales material, said dealers and their salesmen are enabled to represent, and do represent to their prospective customers, among other things:

1. That the dealers selling respondents' merchandise to the public are conducting surveys and that the prospective customers' names will be entered in a drawing or contest to be held in connection with the surveys.

2. That prospective customers have won prizes in the drawing or contest and must make an appointment with one of the dealers' representatives in order to receive such prizes.

3. That customers are especially selected in order to promote the sale of respondents' products handled by said dealers.

- [3] 4. That customers of the aforesaid dealers are receiving reduced prices or a special introductory offer in order to promote the trade names of the merchandise sold by respondents and that savings are thereby afforded to purchasers from respondents' regular prices.

5. That customers making an initial purchase from the aforesaid dealers may thereafter purchase respondents' merchandise at a 50 percent discount from the dealers' regular prices.

6. That when customers purchase one item from the aforesaid

dealers, other items are awarded to such customers as a gift or "at no extra cost" or that they are "free."

PAR. 5. In truth and in fact:

1. The aforesaid dealers are not conducting surveys and the prospective customers' names are not entered in a drawing or contest to be held in connection with said surveys or otherwise. Said dealers are only seeking information about prospective customers' appliance needs and credit ratings which is used as a basis to determine whether an attempt shall be made to sell such customers merchandise.

2. Persons do not win prizes at drawings or any other type of contest but are so notified because such persons appear to be good prospects for the sale of merchandise and this means is used to induce prospective customers to make an appointment with one of the dealers' sales representatives.

3. The aforesaid dealers' customers are not especially selected. On the contrary, said merchandise is available to anyone with the money or credit rating to take advantage of it.

4. Customers of the aforesaid dealers do not receive reduced prices or a special introductory offer but are offered the same prices at which said dealers sold respondents' merchandise in the past and savings are not thereby afforded to such purchasers.

5. Customers making purchases from the aforesaid dealers will not thereafter be able to buy merchandise at a 50 percent or any other substantial discount from dealers' regular prices.

[4] 6. Customers of the aforesaid dealers do not receive merchandise as a gift or "at no extra cost" or "free," but the price of any additional items of merchandise is included in the price that such customers pay for the item sold by said dealers, and the item required to be purchased has never been sold separately in substantial quantities at such prices.

Therefore, the statements and representations set forth in Paragraph Four hereof are false, misleading and deceptive.

PAR. 6. In the course and conduct of their business as aforesaid, and for the purpose of inducing the purchase of their merchandise by the consuming public, said respondents supply the dealers who handle their merchandise with leaflets and other data containing retail pricing representations.

Typical and illustrative of the aforesaid representations are the following:

WALTHAM
Sea Fall

Value \$69.50	Picture of the watch
* * *	* * *
Air - way Sanitizer 88 Value \$259.85	Picture of the assembled machine and the separate parts
* * *	* * *
[5] 7 inch HEAVY DUTY POWER SAW	Picture of saw Value \$59.50

PAR. 7. Through the use of the aforesaid representations, and others similar thereto but not specifically set forth herein, and for the purpose of effecting their retail pricing policy, respondents have represented and placed in the hands of said dealers the means and instrumentalities for representing, directly or indirectly, that said stated prices, accompanied by the word "VALUE" are not appreciably in excess of the highest prices at which substantial sales of such merchandise have been made in the recent regular course of business in the trade area where such representations are made.

PAR. 8. In truth and in fact:

The aforesaid stated prices accompanied by the word "VALUE" are appreciably in excess of the highest prices at which substantial sales of such merchandise have been made in the recent regular course of business in the trade area where such representations are made.

Therefore, the statements and representations set forth in Paragraphs Six and Seven hereof were and are false, misleading and deceptive.

PAR. 9. By reason of the aforesaid practices respondents place in the hands of others means and instrumentalities by and through which they may mislead and deceive the public as to the prices, methods of sale and other practices followed in offering for sale and in selling their said merchandise.

PAR. 10. 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 and nature as those sold by respondents.

[6] PAR. 11. The use by the respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of substantial quantities of respondents' appliances, books and other merchandise.

PAR. 12. The aforementioned 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.

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 Emdeko International, Inc., a corporation, and Anthony J. Wanlass, 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 Emdeko International, Inc. is a Utah corporation, with its principal office at 1260 East Vine St., Salt Lake City, Utah. Respondent Emdeko International, Inc. wholly owns National Housewares, Inc. (hereinafter referred to as "National"), a Utah corporation, with its principal office at 1260 East Vine St., Salt Lake City, Utah. Emdeko International, Inc. dominates and/or controls the acts and practices of National, and its distributors. Respondent Anthony J. Wanlass is an individual and an officer of said corporation. He formulates, directs, and controls, the acts and practices hereinafter set forth. Respondent Anthony J. Wanlass' address is the same as that of Emdeko International, Inc.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of household appliances, books, tools, firearms, alarm systems, and other products. In the course and conduct of its business, National has entered into oral or written distributor agreements with various firms and individuals (hereinafter referred

to as "distributors") whereby such distributors agree to purchase respondents' "Emdeko" brand products and to sell such products, directly or through representatives they engage, to consumers.

[2] National, directly and through supervisory employees and representatives, and through said distributors [acts and practices of "distributors," referred to hereinafter, include the acts and practices of dealers, franchisees, licensees, employees, salesmen, agents, solicitors, independent contractors, or other representatives engaged by said distributors], places into operation and, through various direct and indirect means and devices, controls, directs, encourages, facilitates and implements the following sales methods:

(a) Consumers are contacted by telephone calls and/or mail, and by means of statements, representations, acts and practices as hereinafter set forth, are induced to visit the places of business of said distributors.

(b) Consumers, while visiting such places of business, by means of statements, representations, acts and practices as hereinafter set forth, are induced to attend sales presentations conducted by said distributors.

(c) Consumers, during said sales presentations, by means of statements, representations, acts and practices as hereinafter set forth, are encouraged and cajoled to sign contracts obligating themselves to spend substantial sums of money to purchase said "Emdeko" brand products which have been purchased by said distributors from National.

National possesses the inherent authority to control the acts, practices and policies of its distributors, and/or does control, encourage, facilitate, implement and furnish the means, instrumentalities, services and facilities for, and condones, approves, and accepts the pecuniary and other benefits flowing from, the acts, practices and policies elsewhere herein set forth, of said distributors, and is thereby responsible for the acts and practices of said distributors.

PAR. 3. In the course and conduct of its business, National now causes, and for some time last past has caused its said products, when sold, to be shipped from its place of business in the State of Utah and from its suppliers, located in various States of the United States, and in foreign nations, to its distributors located in various States of the United States, and maintains, and at all times mentioned herein has maintained, a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business as aforesaid,

and for the purpose of inducing consumers to sign sales contracts, National's distributors utilize or display [3] sales promotional materials and utilize sales promotional practices or other means and instrumentalities, controlled and directed, encouraged, furnished, approved, condoned and/or ratified by National. In conjunction therewith, National's distributors have made the following oral and written statements and representations:

- (a) That their offers are being made to specially selected persons;
- (b) That they are conducting a survey or gathering marketing information;
- (c) That a consumer is unqualifiedly entitled to a prize or gift;
- (d) That there is a reasonable basis from which to conclude that consumers making an initial purchase from National's distributors will thereafter be able to buy merchandise from such distributor or from other distributors at a substantial discount from such distributor's regular prices;
- (e) That there is a reasonable basis from which to conclude that customers of National's distributors are receiving reduced prices in that:
 - (1) National's distributors are making a special introductory offer;
 - (2) savings are afforded to purchasers buying more than one product, by comparison with what National's distributors' prices for products would be if purchased singly;
 - (3) savings are afforded to purchasers by comparison with recent actual selling prices at which products of similar grade and quality were sold by competitors.

PAR. 5. In truth and in fact:

(a) National's distributors' said offers were not being made only to specially selected persons, but to the contrary, were made to numerous members of the general public through frequent solicitations of broad segments thereof.

(b) National's distributors' principal purpose in contacting consumers is not to conduct a survey or gather marketing information. Said distributors' principal purpose is to obtain information about the potential for selling prospective customers products sold by National, and about prospective customers' credit worthiness, which information is used as a basis to determine whether an attempt shall be made to sell such prospective customers products sold by National.

[4] (c) Consumers are not unqualifiedly entitled to a prize or gift; National's distributors frequently do not tender such prize or gift if they do not believe they have a reasonable probability of selling a substantial dollar amount of National's products to a prospective

customer; or, if at the time the prospective customer arrives at National's distributors' place of business to obtain the prize or gift, such consumer does not permit such distributor to make a sales presentation.

(d) National and/or its distributors, have no reasonable basis from which to conclude that consumers making an initial purchase from National's distributors will thereafter be able to buy merchandise from such distributor or from other distributors at a substantial discount from such distributor's regular prices. The only reasonable basis for such representation would be the existence at the time such representation was made, of an operating program whereby prior purchasers may purchase products from National and/or its distributors at a savings or discount, National and/or its distributors having established the validity of such savings or discount representation by competent and reliable statistical evidence obtained prior to making such representation.

(e) National and/or its distributors have no reasonable basis from which to conclude that customers to National's distributors are receiving reduced prices in that:

- (1) National's distributors are making a special introductory offer;
- (2) savings are afforded to purchasers buying more than one product, by comparison with what National's distributors' prices for products would be if purchased singly;
- (3) savings are afforded to purchasers, by comparison with recent actual selling prices at which products of similar grade and quality were sold by competitors.

The only reasonable basis for such representations would be competent and reliable statistical evidence obtained prior to making such representations.

Therefore, the aforesaid statements, representations, acts and practices were, and are, unfair, false, misleading and deceptive.

PAR. 6. For the purpose of inducing consumers to purchase respondents' products, National's distributors induce consumers to visit such distributors' places of business by means of mail and telephone solicitations. Consumers are not clearly [5] informed in such solicitations that the principal purpose of National's distributors in making such solicitation is to arrange a sales presentation. Consumers who visit National's distributors' places of business in response to such solicitations are subjected to lengthy, intense, and emotional sales pressure, including requests by National's distributors that consumers, in connection with an advertising program, make choices among, and state opinions about, National's products. Consumers are not clearly informed, either prior to or during the

body of such sales attempt, that National's distributor's principal purpose in meeting with said consumers and soliciting said choices and opinions is to make a sales presentation. Consumers are insistently urged, cajoled, and coerced to purchase a number of National's products. Consumers are not afforded a reasonable opportunity to consider and comprehend the representations made to them by said distributors, their need for National's products, or the value of National's products in comparison with competing products.

Sales are typically consummated by means of an installment sales contract, involving a minimum downpayment, a cash sales price frequently in excess of \$500.00, and substantial interest and other charges. Consumers frequently do not appreciate the extent of their obligation under said contract, in view of the minimum cash downpayment required, and the relatively low monthly payments they agree to make.

Therefore, the aforesaid statements, representations, acts and practices were, and are, unfair, false, misleading and deceptive.

PAR. 7. Nationals' distributors in a substantial number of instances and in the usual course of their business, sell and transfer their customers' obligations, procured by the aforesaid unfair, false, misleading and deceptive means, to various financial institutions. In subsequent legal actions to collect on such obligations, these financial institutions or other third parties, as a general rule, have available and can interpose various defenses which may cut off certain valid claims customers may have against said distributors for failure to perform or for certain other unfair, false, misleading or deceptive acts and practices, and such facts have not been disclosed to customers.

Therefore, the aforesaid acts and practices, were, and are, unfair and deceptive.

PAR. 8. The use by National and its distributors of the aforesaid unfair and false, misleading and deceptive statements, representations and practices, and their failure to disclose material facts, as aforesaid, 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 complete, and into the purchase of [6] substantial quantities of said products by reason of said erroneous and mistaken beliefs and unfairly into the assumption of debts and obligations and the payment of monies which they might otherwise not have done, and under conditions which are unfair to such persons.

PAR. 9. The aforesaid acts and practices of respondents, as herein

alleged, were, and are, all to the prejudice and injury of the public and constituted, and now constitute, unfair and deceptive acts and practices in commerce in violation of Section 5 of the Federal Trade Commission Act.

Commissioner Thompson dissenting.

INITIAL DECISION BY LEWIS F. PARKER, ADMINISTRATIVE LAW
JUDGE

NOVEMBER 30, 1976

I. PRELIMINARY STATEMENT

A. *History of the Proceedings*

These proceedings began on June 21, 1974 with the issuance of an order directing the respondents National Housewares, Inc. ("National") and Edward Gilson to show cause why the Commission should not reopen the proceeding in Dkt. 8733 and alter and modify a 1968 consent order [2] so that it would read as provided in the form of order contained in an attached proposed modified complaint. National and Mr. Gilson opposed the order to show cause, but in a December 3, 1974 order overruling respondents' opposition, the Commission reopened the proceeding and directed expeditious hearings to determine if its 1968 consent order should be altered or modified to encompass the practices alleged as illegal in the proposed modified complaint and order.

On the day it issued its order to show cause, the Commission also issued a complaint in a related matter, *Emdeko International, Inc., et al.*, Dkt. 8973 ("Emdeko"). Thereafter, complaint counsel asked that the National and Emdeko proceedings be consolidated, but the Commission refused to do so in its December 3 order.

Respondents in the *National* proceeding filed their answer to the order to show cause on August 2, 1974 and denied most of its allegations. Respondents in the *Emdeko* proceeding filed their answer to the complaint on the same date, denying most of its allegations.

I was assigned to both of these proceedings on February 5, 1975 and, on February 19, 1975, issued an order consolidating the *National* and *Emdeko* proceedings for the receipt of evidence. Prehearing conferences were held in the consolidated proceedings on March 18, May 16 and August 6, 1975, and during this time both complaint counsel and respondents were engaged in discovery. Because the Commission ordered the *National* proceeding to be tried expeditiously, hearings for the presentation of evidence by complaint

counsel were scheduled to begin on September 22, 1975, before respondents completed their discovery. It was my intention to require respondents to present their defense after complaint counsel had rested their case and respondents had completed their discovery. However, circumstances forced me to cancel these hearings; instead, hearings for a limited purpose—to permit the introduction into evidence of certain Commission exhibits—were held in Washington, D.C. on October 14, 15 and 16, 1975. Thereafter, respondents completed their discovery and hearings for the reception of complaint counsel's evidence began in San Francisco, California on April 19, 1976 and continued until April 30. There was a short recess and hearings were then held in Washington, D.C. from May 5-7 and on May 10, 1976. After another recess, respondents presented their defense from June 8-10 in Salt Lake City, Utah and from June 22-24 in San Francisco, California.

[3] Complaint counsel asked for rebuttal hearings but in an order dated August 4, 1976, I confirmed an oral ruling made during defense hearings that they could not present rebuttal testimony or documents because such evidence was irrelevant to the scope of the order, the purpose for which complaint counsel would have offered it. I did, however, permit complaint counsel to submit an offer of proof.

The record for the receipt of evidence was closed on August 13, 1976. Complaint counsel and respondents filed their proposed findings of fact and conclusions of law on September 28, 1976; replied were filed on October 19, 1976.

B. *The Allegations of the Complaints*

Aside from descriptions of the respondents and their relationship with one another, the allegations of the proposed modified complaint in *National* and the *Emdeko* complaint are essentially identical. The complaints allege that respondents sell "Emdeko" brand products to distributors who, in turn, sell those products to consumers and that respondents directly through their employees and through their distributors place into operation and, through various direct and indirect means, control, direct, encourage, facilitate and implement a sales method in which consumers are induced to visit the distributors' places of business, to attend sales presentations conducted by the distributors and to spend substantial sums of money to purchase Emdeko brand products which the distributors have purchased from respondents.

The complaints claim that because of respondents' inherent authority to control their distributors, their actual control over the

distributors, their encouragement and approval of the distributors' practices, and their receipt of pecuniary benefits from those practices, respondents are responsible for the following false and misleading representations of distributors:

1. That their offers are being made to specially selected persons.
2. That they are conducting a survey or gathering marketing information.
3. That a consumer is unqualifiedly entitled to a prize or gift. [4]
4. That there is a reasonable basis from which to conclude that consumers making an initial purchase from National's distributors will thereafter be able to buy merchandise from that distributor or other distributors at a substantial discount from that distributor's regular prices.
5. That there is a reasonable basis from which to conclude that customers or respondents' distributors are receiving reduced prices in that:
 - a. Respondents' distributors are making a special introductory offer.
 - b. Savings are afforded to purchasers buying more than one product by comparison with what respondents' distributors' prices for products would be if purchased singly.
 - c. Savings are afforded to purchasers by comparison with recent actual selling prices at which products of similar grade and quality were sold by competitors.

The complaints also allege that distributors' customers are not informed during mail or telephone solicitations or during the body of the sales presentation that the distributors' principal purpose in meeting with consumers is to make a sales presentation, that the sales presentations are lengthy, intense and emotional, that customers do not realize the extent of their monetary obligation when they sign installment sales contracts and are not informed that their obligations are transferred to financial institutions.

The proposed orders would require respondents, either directly or through distributors, to cease and desist from making the representations which the complaints allege are false, misleading and deceptive. In addition, it would require respondents to deliver a copy of the order to its distributors, to conduct a surveillance program to determine whether its distributors are complying with the order and to cease permanently from dealing with any distributor who violates the order two or more times within 180 days.

[5] The following findings of fact, conclusions of law and order are based upon the proposed findings filed by complaint counsel and respondents and the replies thereto. Proposed findings not adopted

herein verbatim or in substance are rejected as not supported by the evidence or as immaterial.

II. FINDINGS OF FACT

A. *Description of the Corporate and Individual Respondents*

1. Respondent Emdeko International, Inc. ("Emdeko") is a corporation organized, existing and doing business under and by virtue of the laws of the State of Utah, with its principal place of business located at 1260 East Vine St., Salt Lake City, Utah (Ans., D. 8973, Par. 2).¹

2. Respondent National Housewares, Inc. ("National") was formerly a corporation organized, existing and doing business under and by virtue of the laws of the State of Utah (CX 1A) and was a wholly-owned subsidiary of Emdeko, which owned 100 percent of the issued and outstanding stock of National (Resp. Adm. No. 40).

3. On December 31, 1969, National was merged into Emdeko, which became the surviving corporation (Resp. Adm. No. 38; Tr. 2136). Since that time, National has operated as an internal division of Emdeko (Ans., D. 8733, Par. 1).

4. Respondent Anthony J. Wanlass has been a vice-president of National since January 16, 1969 (Resp. Adm. No. 34), has been a vice-president of Emdeko since January 1, 1970 and has been a member of its board of directors since February 16, 1972 (Resp. Adm. Nos. 31, 32). He was also a national area director for the western division of National in 1970 and 1971 (Resp. Adm. No. 41), is an officer of a number of Emdeko's subsidiaries, and is a minor owner of Emdeko stock (0.6 percent) (CX's 1, 460B).

[6] 5. Respondent Edward Gilson became a vice-president of Emdeko and a member of its board of directors on February 26, 1970. He is now the president of Emdeko (Resp. Adm. Nos. 27, 28). He is also an officer in several of Emdeko's divisions and subsidiaries (CX 1) and has owned between 13 percent and 17 percent of the stock of National and Emdeko during the past several years (Tr. 2131; CX's 459, and Emdeko during the past several years (Tr. 2131; CX's 459, 460).

¹ Abbreviations used in this decision are:

CX - Commission's exhibits.
RX - Respondents' exhibits.
Tr. - Transcript of testimony.
CPF - Complaint counsel's proposed findings.
RPF - Respondents' proposed findings.
Ans. - Answer.
Adm. - Admissions (CX's 545-550).

B. *The Nature of Respondents' Business*

6. Emdeko, through several divisions and subsidiaries, is engaged in the manufacture, purchase, distribution and financing of consumer products (CX 1):

a. Manufacturing subsidiaries:

<i>Name</i>	<i>Product</i>
Casady Engineering Corp.	Automobile stabilizers, fire alarms, floor polishers, burglar alarms (Tr. 1982).
P. O. Ackley Co.	Firearms (assets liquidated) (Tr. 672).

b. Purchasing subsidiary:

Jet Star Industries (50 percent owned (Tr. 674-75)).	Sewing machines, movie cameras, cameras, radios, gift items (Tr. 675).
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c. Distributing divisions:

National Housewares, Inc.	Sells products ² under the Emdeko label to distributors who resell to consumers.
Appliance Showcase	Sells Emdeko, Speed Queen and Admiral appliances to consumers (Tr. 2319-20).

[7] d. Consumer finance division and subsidiary:

Spartan Acceptance Corp.	Finance company which purchases consumer installment contracts (Tr. 824-25, 881-82, 1629-30); CX's 216, 227).
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² A complete list of which is contained in CX 2A-B. Some of the products sold are: Fire and burglar alarms, movie cameras, china, cookware, lawn mowers, sewing machines, stereos, vacuum cleaners, bicycles, flatware, luggage, power tools, tool kits, cutlery, rifles, and watches.

